GIVE to the Red Cross

# THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

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*Be Sure to Read*

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**The Nation's Business**

## Income Tax Repairs Job for New Budget

Definite information on Canada's fourth wartime budget has thus far been limited to two points—that it will involve total expenditures of approximately $5.5 billions and that it will introduce some closer approach to pay-as-we-earn taxation.

If adoption of some form of "Ruml" plan is the only improvement, our taxation machinery will still remain clumsy and archaic. Here are a few of the more obvious shortcomings of our tax system:

The personal income tax forms are hopelessly complicated. In years past when only a few hundred thousand Canadians, most of them accustomed to handling complex legal and mathematical matters, paid income taxes, the forms were complicated enough. Instead of simplifying the forms now that more than two million Canadians are income taxpayers, officialdom works inversely and makes them more complicated than ever.

We are fully aware that creating a fair and suitable tax form is no mean task. But experts are hired to do and expected to do the hard things in every other line of business.

Filling out an income tax form is a good exercise in citizenship. It makes a man remember that he belongs to society; helps mightily in making him think about his responsibilities as well as his rights; focuses his attention, for at least a little while, on the people to whom he has entrusted the spending of his money.

With some 1.8 million new taxpayers, it is perfectly obvious that hundreds of thousands of them are either going to hand over the job to their employers, ask their bank manager to do it or labor painfully and long and probably end up with a very incorrect answer. Not only does the income tax department thus pile up woes for itself, but the citizen completely loses this very valuable lesson in good citizenship.

Let us have a simpler personal income tax structure even if it may be less delightful to tax and arithmetic wizards!

### HITS HARD IN WRONG PLACES

Present tax schedules discourage people marrying and they certainly discourage people from having children. If they do have children it encourages them to have few. It used to be that the big family was prized as a national asset, as a measure of good citizenship. Not the way the last budget-makers fixed it! The tax jump in present schedules, for all but the under $2,000 incomes, is uniformly higher as family responsibility increases and the percentage increases are higher in the lower brackets.

For instance, the single man at $4,000 a year now pays $1,274, which compares with $964 for the married man without children. But in setting the last schedules the tax increase for the single man was 33%, for the married man with no children 43%, married, one child, 47%, two children 48½%, three children 49%, four children 83%. This seems to be the wrong tax direction for nation-building.

The present tax structure puts the brakes on incentive. In scores of plants throughout this continent wage-incentive plans have abundantly proved their worth in more and better work. This most certainly should be the national wartime aim. Yet, for the country as a whole, imperfections in tax structure act as a work deterrent. If our tax system is to do its wartime job properly, it must not only get money but it must also stimulate the getting of money.

### PUTS BRAKES ON INCENTIVE

The tax schedule now puts a tremendous penalty on increasing income at certain levels. Most important are the points at which taxation begins—$660 for single, $1,200 for married. In the first case all extra income up to $713.33 is absorbed in taxes. The married man at $1,200 pays his next $162 entirely in taxes.

This is a strong barrier against an all-out war effort. Workers get little of the return for extra effort, hence they tend to ask much more than the extra work is really worth or refuse to undertake it at all.

Present tax regulations fail to make proper allowance for those supporting other persons.

For instance: A taxpayer can get some tax credit for partial support of his own mother and father. He gets no tax credit for partial support of his wife's mother and father.

For instance: Allowance is granted to those maintaining certain relatives in separate establishments. But by far the most normal setup in such a case is where several persons combine to provide for such a dependent. Present regulations disregard this in a great many cases.

That the administration really lives up to the spirit of its announcement that it will carry to its logical conclusion the pay-as-we-earn principle of income taxpaying is fundamental. Thousands of Canadians with very ardent convictions on that point are watching eagerly for the exact form that scheme will take.

Politics and irrelevancies, impractical theories and personal jealousies have all appeared in the United States discussions of the "Ruml" plan. Opponents have made positive misstatements of fact as to its effects.

In Canada the demand for a "Ruml" system has come from all sections of the community. Let there be no political racketeering, no attempt to concoct some bootleg brand of "Ruml" scheme which will give one section of the community different treatment from another. Let there be no tinkering or temporizing on this matter!

* * *

### LABOR MACHINERY OUT OF DATE

Labor unrest, now widespread throughout Canada, is being aided and abetted by outmoded legislation. Machinery for handling today's disputes is chiefly that set up by the Industrial Disputes Investigation Act of 1907. Procedure through this Act may have a bad effect on two counts. On this point both industrialists and labor organizers generally find themselves in agreement.

If workers are not able to agree with management they must meet and take a strike vote before they can call on the Dominion Department of Labor for a Board of Conciliation. Up to that step workers may have had no thought of striking, but to obtain a conciliator they must think and talk strike regardless of whether they actually want a strike or not. Obviously this has an injurious effect on plant morale.

The second count against the Act is that its language is not clear as to how many of the workers in a plant should vote for strike action before a Board of Concilation may be appointed. At several meetings recently a very small minority of workers have taken a strike vote and applied for a Board of Conciliation. This puts in the hands of a few noisy agitators a very potent weapon for stirring up further unrest. Such agitators do not neglect any possible medium for harassing those whose primary concern is war production, not union organization.

W. D. Black, president of Otis-Fensom Elevator Co., expressed this thought this week:

"It is evident that unless the Minister of Labor makes a careful exercise of his discretion in the matter of granting applications for Boards, industrial management and the great majority of industrial workers are alike powerless to defend themselves against minority pressure tactics."

The situation calls for a revision of present labor legislation so that its application will be more equitable and the way for abuses less open.

## See Advance In Paper Price Soon

### W. P. T. B. Officials Meet O. P. A. Representatives to Settle Question of Increase

By JOHN LANGDON

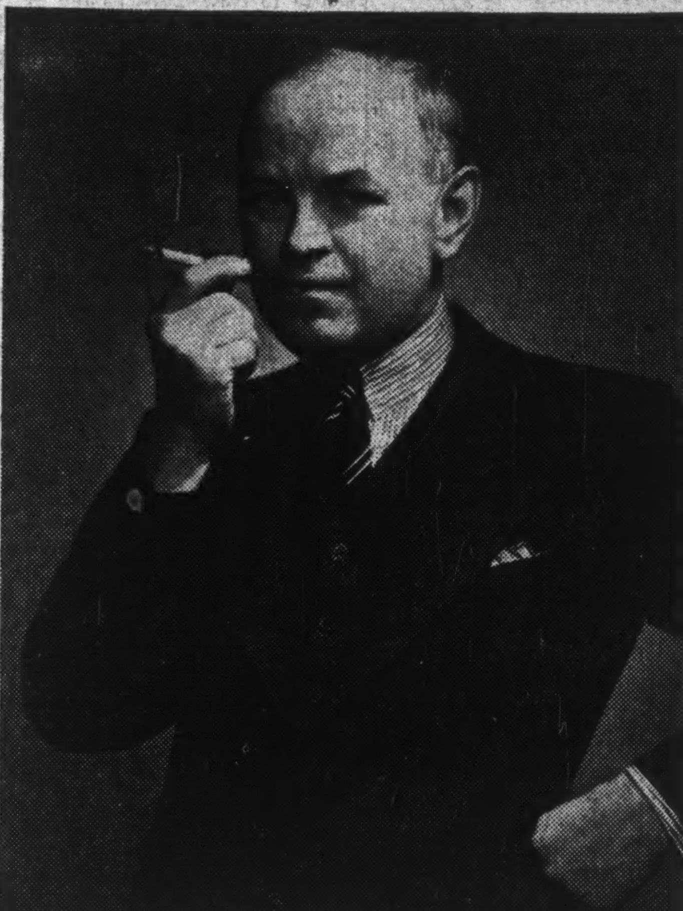
MONTREAL.—Whether the price of Canadian newsprint sold in the United States will be increased is being discussed in Washington by Donald Gordon, Chairman of the Wartime Prices and Trade Board, R. L. Weldon, Newsprint Administrator and a number of other Canadian officials, with officials of the Office of Price Administration. The decision must be made this week, otherwise the price remains unchanged throughout the second quarter.

It is expected in newsprint circles here, that an increase will be allowed. U. S. publishers have been warned by O.P.A. that this is on the way. They expect the advance will be in the neighborhood of $4 or $5 in the base price of $50 a ton.

Canadian manufacturers are said to be urging an increase closer to $10 a ton. They argue that newsprint is the only internationally traded commodity which has not had a price rise since the outbreak of war. The price has remained unchanged since the beginning of 1938. This is the longest period in the history of the industry with no adjustment in price. Costs have advanced over the interval, due to higher transportation charges, larger taxes, increased costs of labor, material, etc.

An upward revision of $5 a ton in the price of newsprint paper, it is understood, would not do much more for the manufacturers than compensate them for the increase in their costs up to last spring.

### Mr. Ilsley's Right Hand Man



—Photo for The Financial Post by Karsh.

*Dr. W. Clifford Clark, Canada's brilliant and indefatigable Deputy Minister of Finance, has now taken on a new job—the co-ordination of Canada's postwar planning and reconstruction effort. Under Order-in-Council 608, passed a few weeks ago, the reconstituted Advisory Committee on Economic Policy, of which he is chairman, is now authorized to plan and organize the study and investigation of postwar problems by departments and agencies of government and conduct investigations and studies on postwar matters in conjunction with existing bodies such as the James Reconstruction Committee. This week Dr. Clark is working most hours of the day and night putting the finishing touches on Canada's forthcoming $5 to $6 billions budget.*

## Think Arms Output Now Near Peak

### Escort Ship Plan Will Need Additional 8,000 Workers Next Few Months

By STAFF WRITER

OTTAWA.—Decision to increase the output of escort vessels on this continent will mean additional employment in Canada for 8,000 to 10,000 men over the next few months The Financial Post is informed. This increase in manpower is expected to about balance the anticipated decline through cancellation of orders for ammunition, certain types of explosives, etc.

It is expected that Canada's output of escort vessels will be increased between 40 and 50% as a result of the overall decision on the part of the United Nations greatly to step up production of this type vessel.

This matter has been under active discussion for the past several weeks and final decision to go ahead with the enlarged programme has just now been reached.

In spite of this enlarged escort vessel programme, the general understanding now is that Canada's munitions production programme has now definitely reached its peak.

Present prospects point to still further stoppage of orders on the part of both Britain and the United States as present orders expire, but there is no denying the possibility that when "shooting" war starts for Canadian and British troops, in terms of a European invasion, this situation may reverse itself very quickly.

Shortage of raw material is the chief limiting factor, and for the second quarter of 1943, Canada is now faced with a reduction in the amount of steel available to us from the United States, The Financial Post is informed.

To date, according to best available information, the manpower requirement of Canadian war industry has declined by somewhere between 5,000 and 6,000 since December 1. As already indicated, present expectation is for a further decline of 8,000 to 10,000 in the next few months.

Most or all this "slack" it is expected will be taken up by the decision to increase our output of escort vessels.

## Sees Price Ceiling In Grave Danger

### Thinking of Administration, New Labor Board and Some in Opposition Indicates Tolerance for Inflationary Policies

By KENNETH R. WILSON

OTTAWA. — Having broken wide open its own wage-price ceiling policy by the terms of the steel strike proposals, the government is now clearly trying to put the blame for possible collapse of the ceiling on the people of Canada.

Unless a potent new dose of government resistance is forthcoming, it appears as if many of the gains which Canada has made on the economic front in the past 18 months by reason of its stabilization policy are now to be sacrificed.

The "goat," which the Prime Minister and his labor colleague, Mr. Mitchell, are already placing on the altar, is supposed public resistance to an overall wage-price ceiling.

Said Mr. King in Parliament early in February:

"The government will have to be supported in its wage price stabilization and price control policy if we are to control inflation in this country.

"If that support is not forthcoming and we have to change that policy, then whoever is responsible for that change of policy will have to be responsible for the consequences if they lead to a complete breakdown in price control and to inflation in our country in this time of war."

A short time later Mr. Mitchell echoed the same thought. He said:

"Unless every class in the community rallies behind this stabilization of prices and wage control I am fearful whether we shall be able to hold it."

Clearly there is no present belief that the newly constituted National War Labor Board is going to hew to the narrow interpretation of wage policy which bound its predecessor. On the contrary, the sentiments now being expressed in and about government labor circles are at complete variance with the former wage-price ceiling principles.

It is being put forward for example that the new board can only be successful in face of present labor conditions by placing a considerably more liberal interpretation on its orders than did the old board; that Canada need not be too worried by a "little dose" in inflation; that there are considerable postwar benefits to be derived from higher and more uniform wages throughout Canada; that the Minister of Labor has carried the anti-inflation ball long enough.

Such points of view cannot be squared with the Ilsley-Gordon belief that the present wage-price line must be held at all costs.

**Attacked on Other Fronts**

Apart from the shifting sand of government wage policy, the pages of Hansard are rapidly filling with attacks on the price policy from opposition members. Typical is the attack on ceiling policy by Mark Senn of Haldimand. Said Mr. Senn:

"Undoubtedly the imposition of price ceilings at levels at which they stand today has resulted in a great deal of confusion and discouragement to the agricultural industry . . . these price ceilings are not at a high enough level."

Other opposition members have talked "parity" prices.

Meanwhile, Donald Gordon, price chief, is in Washington to establish relations with his newly appointed opposite number in the United States, Prentiss Brown.

## *Social Security Report Ready*

By STAFF WRITER

OTTAWA — Canada's first attempt at a pre-Beveridge report —the study on social security for Canada in terms of postwar planning—is now in the Prime Minister's hands, The Financial Post is informed.

The report covers some 150 pages and will presumably be available to the newly-formed Parliamentary Committee on Social Security and the Parliamentary Committee on Reconstruction.

Prepared in less than two months, it has been turned out under the direction of the James Committee on Postwar Reconstruction.

The report is intended as an educational document showing the background and present position of social security legislation and planning in Canada, and to indicate what would be required in respect of a comprehensive social security programme for Canada.

**Elson from Washington**

## *Food Trends Invite Inflation*

### Ceiling Policies Weakened as Food Shortage Looms

By ROBERT T. ELSON

WASHINGTON. — President Roosevelt's disclosure this week that preliminary plans are being discussed for a United Nations conference on postwar food supply is big news for Canada. Of all the United Nations none has a larger stake in the issues of this conference than Canada.

If the economic order envisaged in the reciprocal trade or lend-lease agreements engineered by the U. S. state department is brought into being, the Ottawa treaties for intra-Empire trade are dead. In that case Canada must seek compensating advantages from the United Nations conference for her food products must sell on the export markets abroad or perish at home.

The conference, the President stressed, will be exploratory only. Reason for this is none of the United Nations are yet ready to make postwar commitments, least of all the United States. The political outlook here is still uncertain and there is no assurance yet that a postwar conference will accept the high-minded objectives of the lend-lease agreements which call for abolition of barriers to international trade.

Chief value in the meeting at this time would be to get the United Nations around a council table. In spite of much inspiring oratory this hasn't yet been done. It is believed in some circles the only way really to achieve a United Nations organization is to let it evolve from the handling of various problems.

Food supply is one that offers the best probable area of agreement. All want assured guarantees for their farmers; all are anxious to settle food trading problems as soon as possible, even the high-tariff minded farmers of the American middle west. Thus the President's choice for a starter for United Nations conferences may be a good one.

**Food Takes Limelight On U. S. Home Front**

At home, however, the American people are frankly worried about the problem of their food supply. It doesn't seem to worry the President or his food administrator, Claude Wickard, who is also secretary of agriculture. When last asked about it at his press conference, the President wanted to know if anybody in the room was starving. There was laughter from the well-fed correspondents corps, but it begged the question.

The food problem down here has direct interest for Canadians because in the long run Canadian rationing is profoundly influenced by whatever the U. S. rationing authorities do and food is the key to whether or not Americans are going to win their fight against inflation.

Point rations on canned goods as announced this week frankly shocked most people here. Accustomed as they were to buying everything from dog food to whole meals in cans, American housewives began thinking about the food shortage when they found that a can of pineapple alone might well cost half of their coupons for the first month. The immediate impact on the fresh vegetable market is frankly pretty heavy. Some people in the food industry said they didn't know what the people were going to eat.

They were exaggerating. What point rationing did do was put into language that everybody can understand that you can't fight a war, feed a starving world and eat as usual.

From the farm bloc and in Con-

(Continued on page 2, col. 6)

## *Hand-Me-Downs for Victory*

### Will Teach Saving of Food, Clothes, Machinery

By KENNETH R. WILSON

OTTAWA.—The need of conservation—of making the things we have last longer—will be impressed by a nation-wide campaign soon to be launched by the Wartime Prices and Trade Board.

All agencies of government, all forms of advertising media, and the co-operation of consumer, manufacturer, distributor and retailer will be enlisted in the drive, which will continue for the duration of the war.

Three immediate approaches will be in foods, clothing and farm machinery.

Already, in farm machinery, much preliminary preparatory work has been done to instruct representatives of farm machinery companies how to carry on their new responsibilities as conservation experts.

Between 1939 and 1941, sale of farm implements and equipment rose from $34 to $50 millions. This compares with sales of only $19 millions in 1936. Prior to that year no figures are available but it is probable that during depression years sales dropped as low as $10 or $12 millions—possibly lower.

**Need is Evident**

In 1943, with output of agricultural implements cut to a fraction of the 1940 level, the sale will be greatly reduced. In face of this, Canadian farmers will be called on to produce the largest crops on record in most lines.

Although output of new implements has been slashed, production of parts and repairs and replacement parts will greatly exceed previous years, and the stage is set for a drive which will assist farmers to keep in operation machinery they now have.

In clothing and foods the aim will be twofold:

(1) To educate Canadians on how to make their clothes last longer; their shopping basket feed more mouths without sacrificing nutritional values.

(2) A deeper, more intense public psychology toward thrift and conservation as the patriotic, indispensable ingredient of victory in the years that lie ahead.

**Trade Patterns**

One of the first things that is happening is the getting together for the first time of the six big pattern companies operating in Canada and the United States. Never before have these companies traded designs to give a common result.

Out of this meeting (arranged by Canadian officials) will come shortly the first remodelling fashion shows to be held on this continent. They will get under way next month in Toronto and Montreal and will feature patterns for 42 different garments—every one made from old clothes.

These will be marketed in both Canada and the United States—not to sell new goods but for the express purpose of using materials which have already finished their term of service in some other form.

As Ross Brown, Information

(Continued on page 2, col. 3)

## Twilight of Quebec Liberalism?

### New "Parties" Betoken Drastic Shift in Sentiment

By AUSTIN F. CROSS

**The rapid multiplication of Quebec's "parties," many of them with still only a single House representative, indicates the breakdown of the Liberal hold on Quebec, thinks Austin F. Cross. As such it presents a wide-open opportunity for the Progressive Conservatives, whose new leader has a better chance of gaining Quebec's favor than any recent Conservative chieftain.**

OTTAWA.—When Premier King read Hon. Arthur Cardin, his longtime colleague, out of the Liberal Party last week, he fanned embers that have been smouldering in Quebec since the plebiscite.

Just as conscription in the last war started a conflagration of anti-conscriptionism that has by turns soared and smudged ever since, so did the plebiscite last spring bring into the open those latent fires.

In 1917, the Conscription Act resolved itself pretty much into a straight English-French racial rift that has never quite healed. The counterpart of this conscription issue today, under the guise of Bill 80, is a mosaic of isolationist parties.

First Cardin's speech, then King's speech, revealed where the dividing lines were.

Today, everybody now knows where everybody stands. Whether the lines will prove so deep, so wide and so hard to cross that a separate Cardin bloc will be set up, remains for the future to decide. At this writing, it looks as if Cardin may round up a dozen hitherto loyal to lukewarm Liberals, and take them with him. But where? Will he cross that political Rubicon, the strip of green carpet that separates government from opposition, or will he pause just at the edge, teeter, but fail to jump?

**The Loss of Lapointe**

Meanwhile, let us examine what has been going on in Quebec since Hon. Ernest Lapointe died, letting loose all these new political furies that continue buzzing around Premier King's head.

For years it was said that King's chief debt to Mr. Lapointe was that he could keep the French-speaking Liberals of Quebec together.

Yet it could be discerned by the more acute observers that the Liberal party was never the solid "bloc" it was alleged to be. Instead, Rouge Quebec really was a number of diverse groups going to different destinations, but inevitably forced to ride the one and same train. Those who know Quebec also know that the Quebecois is a far more astute politician than his Anglo-Saxon brother. Your French Canadian is a born politician; your English Canadian has politics thrust on him.

Lapointe was hardly in his grave when it was seen that the plebiscite would split Quebec. There were those who thought that the torn seam could be stitched together by that wily worker of the political warp and woof, William Lyon Mackenzie King. The fact is that Mr. King did not do much of a job. And the further fact is that he did not try, showing that as usual, he is smarter than his detractors traditionally concede. It may well be that he regarded Quebec as lost long before the Conservatives could even dare hope they might be gaining it. As a plain matter of fact, the Pro-Cons still hardly realize their luck.

What is happening among the "Rouges," and the erstwhile Rouges who now isolate themselves under other labels?

The first defection was that of Joseph Sasseville Roy, Gaspé, who came into the House as an independent Conservative. He, however, did not find it congenial over in the Hanson section of the House, and moved down by himself to an independent bench south of Mrs. Nielsen, sole unity party M.P. Roy, it is true, never was a Grit, but he represents a nucleus around which disgruntled "Rouges" may rally. So far his "take" is only one, but he is capable of gathering more. Roy is a Duplessisite, although he punctiliously keeps the Hon. Maurice out of Parliament Hill.

Our next dissident is the famous Liguori Lacombe, Laval-Two Mountains, and head of the curious Canadian party. Incidentally, Monsieur L. himself is his only convert thus far.

When Fred Dorion trimmed Madame Pierre Casgrain down in Charlevoix Saguenay, she paved the way for another party. Dorion was originally a Conservative organizer. Perhaps that must be taken in the Pickwickian sense since he ran on an independent ticket, against the King and Godbout administrations, and when it was all over, he rather seemed to favor the Liberals, except in the war effort. At least one dispatch quoting him said that.

Then came recantation, and he

(Continued on page 2, col. 2)

## Survey Shows Increase In Advertising Volume

By STAFF WRITER

OTTAWA.—Canada's 49 advertising agencies placed $29.2 millions of business in 1940, an increase of 33% over the volume placed back in 1930, according to figures collected as part of the decennial census of merchandising and service establishments.

No official figures are available covering the operation of this industry on a country-wide basis except for these two decennial years—1930 and 1940. Gross revenues received by the agencies (including fees or commissions on billings and mechanical charges, on radio time and talent costs, etc.) amounted to $4.8 millions for 1940. This is 16.5% of the total billings.

According to the census definition, firms whose operations are summarized are confined to those which contract for space or other advertising media and which place advertising for a client on a commission or fee basis. Firms whose activities are confined to the writing of advertising copy or to commercial art work are not included.

**Operate 87 Establishments**

The 49 companies reporting for 1941 operated a total of 87 establishments. Of the gross revenue, 60% was secured through offices located in Ontario and 34% through offices in Quebec. Only 6% of revenue was obtained through offices in other provinces.

Analysis of business according to amount of billings placed by individual firms is as follows:

| Annual billings: | No. of firms | Amount of billings $ | % |
|---|---|---|---|
| Below $100,000 | 14 | 585,000 | 2.0 |
| $100,000-$500,000 | 19 | 5,371,400 | 18.4 |
| $500,000-$1,000,000 | 7 | 4,906,500 | 16.8 |
| $1,000,000 or over | 9 | 18,361,500 | 62.8 |
| Total | 49 | 29,224,400 | 100.0 |

MEN'S SHOP
FINE APPAREL FOR MEN

*Where Ties are Concerned —*

You just can't go wrong when you make the Men's Shop your neckwear base. Silk Foulards, Poplins, Wool Weaves, Silk Macclesfield Squares—we have them all. The makers include such well-known names as Welch-Margetson, Sambrook-Witting, Hugh Parsons, Holliday-Brown—and, of course, the materials and the workmanship match the reputation of the tie-makers. Priced from $1.00 to $3.00 each.

**THE MEN'S SHOP**

Civil And Military Outfitters

EATON'S - COLLEGE STREET

# The War and Business . . .

***Still Room in the Air***

Some business men, apparently, have assumed that air travel now is restricted entirely to high military officials or business men on direct war business. This is not so, point out the air transport companies, who explain that while the two classes mentioned above have or can secure a priority, there is still considerable room remaining for ordinary travel. Moreover, it is explained, because of the priority system no ordinary passenger need worry that he is displacing any essential traveller.

* * *

***Next U. S. Minister***

Dick Patterson, ex-assistant secretary of Commerce, now head of RKO is mooted as next U. S. minister to Canada by Drew Pearson in his column "Merry-go-round." "Keep an eye on him" says Pearson.

* * *

***Real Lease Lend***

Lend-lease has resulted in complete pooling of British and American resources in the British Isles and North Africa. At first, following the practices of the first Great War, an attempt was made to keep an accurate check and estimate of every article loaned to the other but now it is understood this has been largely abandoned. The Engineer Corps of the American forces reported that at least half of a division would be required to keep accurate records.

British services to the Americans include transportation on British railroads, use of postal telegraph and telephone services, electricity and gas for camps.

All expenses of American Red Cross hostels, operational buildings, clubs, etc. except salaries, are paid by the British. The latter also pay for the printing of newspapers for American troops in the European field of action.

Most of the transport of American troops and goods in the European sphere is in British ships and for the North African expedition, it is understood, the British loaned or gave their American allies many planes, great quantities of ammunition, coal, food, and medical supplies.

* * *

***Fear Isolationist Outbreak***

Look for an outburst of isolationist sentiment in the U. S. in June when Canadian and other U. S. trade agreements come up for renewal. In the present Congress, Democrats will need Republican help for their renewal. Degree of isolationist clamor will be important in determining the breadth of those terms. Isolationist sentiment in the U. S. is reported to be increasing "alarmingly."

* * *

***Trade Commissioners***

Undoubtedly there is much heartburning among Canada's corps of trade commissioners about the appointment of Hugh Scully to New York as the first of a new brand of foreign representative, consul general. Scully's high qualities are generally recognized, but undoubtedly the trade commissioners, who have long suffered a position which abroad made them hardly fish, flesh nor fowl among the foreign representatives of other countries, had expected that the consul generalships would go to themselves.

## *Sees No Further Restrictions on Power Use*

From Our Own Correspondent

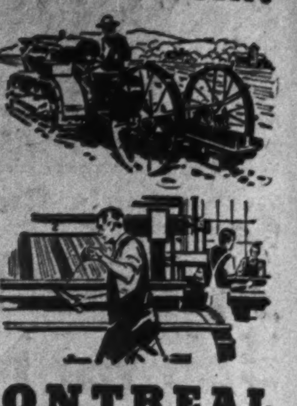
MONTREAL.—Unless there are unexpected developments, it will not be necessary to take any further steps to restrict the use of electricity, according to Power Controller H. J. Symington.

Daylight saving, curtailment of domestic consumption and the restricted use of energy in non-war industries have been successful in keeping down peak power load requirements in the face of known increases in war demands, Mr. Symington says.

At this stage there are no signs of falling off in demand for power by war industries. Possible readjustments in war production may result in shifting of emphasis from one line of activity to another, but the over-all picture is not expected to undergo any material change. The major wartime need for power is in the metal industries, such as aluminum, copper, zinc, magnesium.

*Must You Borrow*

**To Carry On Your War Work?**



Your war work is your most important job. The Bank of Montreal encourages war-time saving, rather than *borrowing*, but there are cases where a timely bank loan not only saves money for the borrower but helps him to do a better job for VICTORY. Please feel free to discuss your financial needs in confidence with the manager of our nearest branch.

**BANK OF MONTREAL**

"A Bank Where Small Accounts Are Welcome"

Modern, Experienced Banking Service . . . the Outcome of 125 Years Successful Operation

A 198

# Ottawa Pays $4 Millions To National Steel Car

A settlement has been reached between National Steel Car Corp. and Ottawa, whereby the government will pay about $4 millions for the company's Malton aircraft plant. Of this amount, $150,000 is attributable to earnings and the balance to plant, inventories and other assets. The $4 millions settlement is equivalent to $22.79 on the 175,500 shares outstanding.

Original cost of the plant was around $5.5 millions, The Financial Post is told, and, after allowing for heavy write-offs for depreciation and other charges, payment will leave the company a capital profit of about $700,000.

National Steel Car's working capital will be increased to between $7 millions and $8 millions, an amount considerably in excess of its immediate requirements.

There is a provision in the Canadian income tax law that a distribution to shareholders is to be regarded as taxable income so long as the distributing company has an earned surplus. As National Steel Car's earned surplus at June 30 last was over $4 millions, it appears that this regulation is an obstacle towards immediate receipt by shareholders of a portion or all of the payment.

No final decision as to disposal of the money has yet been made but one possibility suggested is that an investment subsidiary should be formed to invest the $4 millions in high grade securities with the income to be used to stabilize the company's dividends in periods of reduced operations.

# Dosco Controls Canadian Tube

From Our Own Correspondent

MONTREAL.—Dominion Steel & Coal Corp. has acquired control of Canadian Tube & Steel Products Ltd. through stock purchases on the open market. At the same time it is announced by Canadian Tube that Dosco has made an offer to purchase the stock of other shareholders.

According to the announcement Dosco now holds 7,969 shares of the 7% preferred; 7,212 shares of the second preferred and 32,765 shares of common stock.

Canadian Tube has outstanding 15,000 shares of 7% preferred; of $100 par value, on which there are dividend arrears of $37.50 a share; 15,000 shares of non-cumulative second preferred, $35 par; and 64,000 shares of no par value common.

Dosco holds over 50% of the senior preferred and the common, which classes alone carry voting rights.

The prices offered by Dosco for the remaining shares are $110 a share for the senior preferred; $10 a share for the second preferred; and $5 a share for the common.

If all shares are turned in, the amount of cash required will be $1,007,685. The offer is open until 12 noon May 15.

Canadian Tube & Steel will make up an important unit in the iron and steel empire which Dosco has been building up over the past few years. It will be recalled that Dosco purchased from U. S. Steel, the old Canadian Bridge Co. at Windsor. It also bought out Frost Fence and a number of other small properties.

Naval and R.C.A.F. Officers'

ALL-WEATHER COATS

A new shipment of all-weather coats has just arrived from Simpson's own tailoring shops—there's a complete range of sizes and lengths for all builds. Expertly tailored in approved style, from fine wind-and-shower-proof gabardine. For R.C.A.F. Officers, $35. For Naval Officers, 37.50.

Military All-Weather Coats

Simpson's also offers an excellent range of all-weather coats for army officers, including many imported coats from famous London tailoring houses. Double-duty weights in sturdy Egyptian yarns. Each 22.50 and 26.50.

**MILITARY UNIFORMS** of barathea or whipcord
**NAVAL UNIFORMS** of pilot cloth or fine all-wool doeskin
**R.C.A.F. UNIFORMS** of barathea

You are invited to make Simpson's Military Shop your Toronto headquarters for any service—whether it is the replacement of a missing button, a minor alteration, or supplying your next pip or wider braid. Simpson's Military Shop is located in the Store for Men, Second Floor.

Simpson's

Military Shop — Second Floor

# *Hand-Me-Downs for Victory*

(Continued from page 1)

Branch, Wartime Prices and Trade Board, told a Toronto audience last week:

"We will be telling the thrifty housewife how to make over old table linen into new dresses, how to make aprons from her husband's outworn shirts.

"We will be recommending the making over of 'tired dresses,'—tired because many a garment is left hanging in the wardrobe simply because the owner is tired of the garment. We are after ways and means of encouraging women to take these 'tired' garments in hand and with little tricks here and there, refreshen them and make them more desirable to wear.

"We will have people demonstrating how easy it is to make over an old garment taken out of an attic trunk, into something smart and useful for the children. It is really surprising how good your wife can look in a lady's suit made over in 1943 from a 1914 tuxedo.

"In this conservation programme, we are following what is now a well established technique of the W.P.T.B. We are, in the first instance, going straight to the people who know most about the goods that go into the hands of the consumers—the manufacturers and the distributors. The primary textile mill knows the peculiarities of the yarns that go into the fabrics, and the manufacturer of a product knows the materials that go into the thousand and one articles distributed to the public. Who then, is better qualified to tell us how an article should be handled in order to get the longest wear and the greatest use?"

The same approach is to be used in the case of foods. Chairman of the Conservation Nutrition Committee is to be Miss Anna Speers, an expert nutritionist attached to the Foods Administration of W.P.T.B. This committee is expected to be a two-way channel of communication for getting food conservation ideas out to the public and sifting ideas that come in through liaison with the Consumer Branch of the W.P.T.B. through manufacturers, distributors, housewives, etc.

The role of advertising in this campaign is expected to be very important. Again quoting Ross Brown:

"Since there will be no new goods manufactured in many lines and a narrowing total in others, one of the finest ways a manufacturer can keep his name before the consuming public for the day when good times come again is to keep his goods in use. New and ingenious ways of keeping goods in use provide the kind of copy that will enable advertising to do a real war job.

"The conservation programme can thus be furthered by each manufacturer and distributor making a particular drive on his own products. You will perhaps have noted that many companies have already accepted the challenge and their advertising and merchandising tags carry suggestions for extending the life of the product and getting more efficient use."

# Company Report

## Cockshutt Plow

Volume of farm implement sales in the year ended Nov. 30, 1942, was about the same as in the previous year, but demand was considerably in excess of stocks available, C. Gordon Cockshutt, president of Cockshutt Plow Co., reports. Government regulations limited production to conserve vital materials for war work.

Production of munitions far exceeded previous totals, Mr. Cockshutt adds. Plant operations have been at capacity throughout the year. Cockshutt Plow has to date subscribed $500,000 of the authorized $1 million capital of its subsidiary, Cockshutt Moulded Aircraft Ltd., formed to build plastic-bonded fuselages for airplanes and now in operation. Other contracts have been negotiated which will utilize full facilities of the plants.

Mr. Cockshutt reports that, under existing tax laws, the maximum profit the company can retain is slightly in excess of $400,000, not including the refundable portion of the excess profit tax. Earnings of $538,747 retained last year are in excess of this limit due to the fact that new excess profit taxes only applied for seven months of the company's year.

The company's subsidiary, Brantford Coach & Body Ltd., earned profits of which Cockshutt's share was $91,543, no part of which is included in the Cockshutt accounts.

Liquid position of the company is greatly improved, with cash and government bonds up to $811,503 from $255,519 and bank loans reduced from $2.2 millions to $768,000.

**Consol. Income, Surplus—Years Ended Nov. 30**

| | 1942 | 1941 |
|---|---|---|
| Operating profit ...... | $2,609,708 | $1,860,540 |
| Add: Other income ... | 6,418 | 7,795 |
| Total earnings ........ | 2,616,126 | 1,868,335 |
| Less: Exec. remuner. . | 29,376 | 29,376 |
| Directors' fees ..... | 5,000 | 5,000 |
| Legal fees .......... | 1,500 | ...... |
| Depreciation ....... | †920,970 | 310,465 |
| Interest ............ | 99,219 | 172,388 |
| Income & E. P. tax. | *908,128 | 730,544 |
| Loss on assets ...... | 6,178 | 4,405 |
| Bad debts w/o ..... | 107,008 | 149,300 |
| Net profit ............ | 538,747 | 466,857 |
| Less: Common divds. . | 150,339 | 150,339 |
| Surplus for year ..... | 388,408 | 316,518 |
| Add: Prev. surplus .. | 719,849 | 403,331 |
| Tax adjustment ... | 58,959 | ...... |
| Less; Deprec. pr. yrs. . | 53,447 | ...... |
| Conting. reserves .. | 150,000 | ...... |
| Earned surplus forw'd. | 963,768 | 719,849 |

*Includes $69,021 refundable. †Includes special depreciation.

| | 1942 | 1941 |
|---|---|---|
| **Earned per share:** | | |
| Common ........... | $1.79 | $1.55 |
| Paid ............. | 0.50 | 0.50 |
| **Working capital** ..... | $4,699,837 | $4,511,515 |
| **Balance Sheet Changes** | | |
| Cash .................. | $410,517 | $255,519 |
| Investments .......... | 400,986 | |
| Accts. receivable ..... | 2,166,985 | 3,502,518 |
| Inventories .......... | 5,359,541 | 4,795,039 |
| Bank loans ........... | 768,000 | 2,173,000 |

**H. Simon & Son's** sales prospects continue to be good and production has been maintained at a fairly steady level, Arthur Simon told shareholders at the annual meeting. Following the meeting a dividend of 15 cents and a bonus of like amount was declared on the common stock, both payable March 29 to shareholders of record March 13.

**Bell Telephone Co. of Canada** has issued an additional 568 shares of capital stock under the employees' subscription plan, bringing the number outstanding to 844,112 shares.

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**Second Inter-State Royalty Corp.** reports investments in oil royalties had a book value of $305,143 as at Jan. 31. Gross revenue from royalty income since acquisition amounted to $70,290 at the end of 1942, and reserve for depletion totalled $19,330 to the same date. During December the company had a gross royalty income of $610 while the accumulated royalty income for 1942 totalled $12,712.

CAPITAL WANTED

"Due to increased demand for Ceramics for war needs Company being formed holding large China Clay deposits ready for patenting. Desirous connecting with industrialists, financiers, or brokers, to obtain necessary capital. Apply Box No. 8, The Financial Post, Toronto.

# *Container Makers Ask 25% Subsidy To Keep Going*

Makers of baskets and crates for fruit containers have made a submission to the Wartime Prices and Trade Board indicating that a subsidy of 25% will be necessary for them to stay in business. The submission is understood to be under advisement by W.P.T.B. but no decision has yet been made.

The fruit container makers have been selling at a price of $48.25 for a thousand six-quart fruit baskets. An increase of 25% to approximately $60 per thousand is now held to be necessary to take care of increased costs. They claim that within the past two years the price of veneer wood for basket making has more than doubled.

Attitude of W.P.T.B. so far expressed by Donald Gordon is that the industry must continue producing. While the matter is under study he has offered an "accountable subsidy" of $4.50 per thousand, or less than 10%. The trade is understood to feel that this is too small to do them any good.

**Montreal Stock Exchange** and Montreal Curb Market report the value of listings showed a substantial gain in January, when an improvement of $358 millions was recorded as compared with the previous month. The value of all stocks listed totalled $6,842 millions, compared with $6,485 millions in the previous month and $6,610 in the first month of 1942.

# Twilight of Quebec Liberalism?

(Continued from page 1)

was introduced in the House by Monsieur Roy, who campaigned for him, and curiously enough by Jean Francois Pouliot, Peck's Bad Boy of Temiscouata. Mr. Dorion took his seat alongside Mr. Roy, but that is not the end of it. Rumor has it that Dorion hopes some day to head a C.C.F. bloc in Quebec. Put him down, then, as another party.

**The Pouliot Party**

Anybody who would sponsor a member who sits opposite the government certainly cannot be said to be a 100% Liberal. Jean Francois Pouliot, whose vendetta with Hon. J. L. Ralston clutters up Hansard, votes against the government on the war, but will not leave it. Like the bott which buries itself into the hide of the cow to torment it, but apparently cannot live without it, this genial politician must needs have the Liberal party all round him to torture, and in turn to support him.

Forgotten man is Hon. P. J. A. Cardin. The mighty atom was the toughest thing King had from French Canada, but he and The Boss parted company on the National Resources Mobilization Act. Cardin politically is through. But many think Cardin if he chooses can still tumble the Liberal edifice about the ears of the government. From other sources, admittedly hostile, one hears that Cardin could not even carry Richelieu - Verchères again. Take your choice, but mark him down as another party, just the same.

Of course, we cannot overlook the Bloc Populaire. The gentlemanly but embittered Maxime Raymond took across the green carpet to the farthest opposition, only two disciples.

The first is Edouard Lacroix, Beauce, who has received many favors from the government, yet persists in being disgruntled. He is also suspected of being "angel" to the new party. Lacroix's voice may be weak, but his bankroll is strong.

Third man in the Bloc is Dr. Pierre Gauthier, Portneuf.

That leaves about eight dubious Liberals. They voted with the Bloc Populaire last spring. Such names as Wilfrid Lacroix, Quebec-Montmerenci; Maurice Bourget, Levis; A. Crete, St. Maurice-LaFleche; Lionel Bertrand, Terrebonne; Charles Parent, Quebec West and South; and Emmanuel D'Anjou, Rimouski make up this group. Pouliot at that time threw in his lot with them.

The question with them is; where are they going?

One might call them the "Whither Bloc." For if King enforces Clause 3 of the Mobilization Act, and sends draftees overseas, then they cross the floor of the House. But if not, then they stick where they are, lukewarm Liberals.

We now come to another group, who might be described as the "1942 Cardinites." They are the fellows who only bolted the King party on Bill 80, not before or after. In other words, they support the Liberals all down the line in everything, except conscription. They number perhaps 30, and among them are a few who are really willing that the government should be allowed to do as it thinks best, but dare not support King on conscription.

For instance, Maurice Gingues, Sherbrooke, went through the sad spectacle of having his children reviled and sneered at in the school yards of Sherbrooke, due to the father's adherence to the government in the first instance. Since he felt he could not live in Sherbrooke and support the government, Gingues had to vote "Non." When they pushed in Jos. Lafontain's plate-glass window at his Thetford Mines store, burned his wood pile, and hanged him in effigy, Lafontaine decided that for his children's sake, and his wife's health, he had better string along with the anti-conscriptionists.

Then there are the loyal Liberals who are with King all the way. They are Conscriptionists-if-Necessary. You might list Hon. Ernest Bertrand, Hon. Louis St. Laurent, Hon. Alphonse Fournier, Hon. Louis LaFleche among these, and add the name of Dr. Rodolphe Leduce, Wright.

There are thus about ten different groups altogether, and at least one of these groups could again be subdivided. Quebec is falling apart like a frost-heaved mosaic.

The curious thing is that the pre-Bracken Conservatives, and the Progressive Conservatives of post-Winnipeg don't seem to have noticed this. Their greatest failing appears to be to ignore Quebec perennially, instead of realizing that Quebec is the only hope, the sole road to power.

Let us look at the history books. Sir John A. Macdonald got into power—and stayed there—because he could win and hold Quebec. When Laurier came along, he started stealing Quebec from the inept hands of Abbott, Thompson, Bowell and Tupper.

For 15 years Laurier had Quebec in his hip pocket. The Conservatives themselves perhaps paid scant attention to Henri Bourassa, yet it was on his shoulders that they stepped into power finally, in 1911, Bourassa split Quebec, spilled Laurier, and opened the door for Borden.

The Tories lost Quebec every election till 1930. Came then Hon. R. B. Bennett. He had no backlog of conscription advocacy, he had made no mistakes as far as Quebec was concerned, and he had as his right bower, New Zealand butter. Exit King, Vive Bennett.

From 1935 on the Conservatives have got exactly nowhere in Quebec. The pitifully few seats they saved in 1935, they lost in 1940.

But now they have a new man, Hon. John Bracken. Bracken can stand foursquare to any traditional objections Quebec has to the rank and file of Conservatism, and come away untouched.

**Quebec Elected Bennett**

It does not take a genius to see that this thing works both ways. The Liberals are breaking up, while the Conservatives are just getting together. This man Bracken looks like a natural. Bennett, when he wrested 27 seats from King in Quebec in 1930 made a turnover of 54, yet the Conservative majority was not even 50. Consider then what Quebec did for Mr. Bennett. In a word, it elected him.

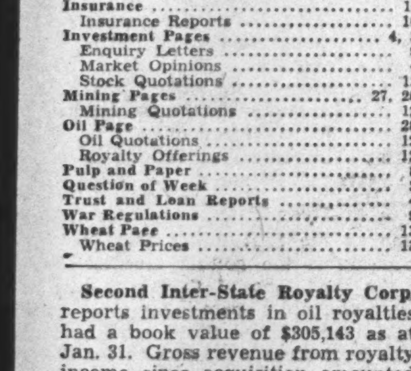
Now there is every reason to prophesy that the Liberal party will further divide, rather than amalgamate in Quebec. Indeed, governments usually tend to distintegrate, and that process is accelerated during a war. What more natural then to assume that the Quebec Liberals, now to all intents and purposes headless, will slowly slide into irreconcilable factions? That may not be what is going to happen, but there are many who are predicting just that thing.

There seems to be something lucky for the Tories in the B's. First Borden, then Bennett, and now Bracken? To Bracken we must still suffix a question mark.

## Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

| Municipal— | Date Issued | —Sold to— | Rate | Due | Amount | Price | Yield |
|---|---|---|---|---|---|---|---|
| St. Hyacinthe Technical School, P.Q. (Guar. by Prov. of Quebec) | Feb. .... | Dominion Securities and Royal Bank .... | 3½% | 1944-63 | $300,000 | 96.98 | ..... |



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**Elson from Washington**

# *Food Trends Invite Inflation*

(Continued from page 1)

gress, pressure for higher farm prices is putting price administrator Prentiss Brown and Wickard both on the spot. It is significant that this week the new deal lost one of its best supporters on this issue when representative Jerry Vorhies of California announced his conversion to the doctrine of higher prices.

President Edward A. O'Neal of the American Farm Bureau Federation said that farmers wanted the same treatment as industry — meaning higher prices. The applause in congressional ranks where O'Neal's lobby carries great weight was loud enough to echo back home where the farmers, enjoying the highest prices in history, are still anxious for more.

Both President Roosevelt's director of economic stabilization, James F. Byrnes, and Price Administrator Prentiss Brown have declared a "no surrender" policy in the face of such demands for price increases. But Congress seems bent on going its own way. The President could veto legislation hoisting farm prices—but it still might be carried over his veto and in this Congress Mr. Roosevelt's enemies outnumber his friends.

**Manpower Problems Still At Root of Discord**

Concern for food supply is tied up with the manpower muddle. Congress has two complaints against War Manpower Commissioner Paul McNutt. First, the farm bloc wants a halt in the policy of raising a large army that can't be shipped overseas. Second, they didn't like the order calling for the draft of fathers. McNutt has no choice because the military wants the men and he has to find them where he can.

President Roosevelt has been adamant in his ruling the army must be built up to more than 8 millions. His broadcast this week made it evident that the war is not yet won and the Russians cannot win it for us. The main other source of manpower, therefore, is the United States.

But the balance between industry, the farm and the large numbers still engaged in non-essential industry has not yet been achieved. There were suggestions late this week that eventually the President would have to drop McNutt because of this congressional opposition and recall John G. Winant, his ambassador to Britain. A world labor expert with immense prestige, Winant might succeed where McNutt has failed—in convincing Congress and the country that there is a workable policy on manpower and it can be made effective.

**Nelson Drives Off New Offensive**

On the production front, W.P.B. chairman Donald Nelson appears to have won the preliminary rounds in his battle against the military. Ferdinand Eberstadt, the former materials chief, stayed "fired" and Charles E. Wilson, co-chairman of the Canadian-American joint war production committee, remained where Nelson put him—on top of the production setup.

Few people here feel that this completely ends the so-called fight between the armed services and W.P.B. or that it represents the "final" reorganization. Wilson's success in clearing the competing claims of the conflicting programmes, particularly in getting the escort vessels off on schedule, will be the critical test of both him and Nelson. This is still the most important job before Canada and the United States.

Sinking of two transports and loss of 800 men announced here at the first of the week is dramatic and tragic proof that the submarine is far from licked. The facts are that, even in convoys on the North Atlantic, we are losing ships and men that can't be spared because there aren't enough protective vessels.

## American Automobile

An increase of over $2 millions in total assets is shown by the American Automobile Insurance Co. in its annual report for the year just ended. This brought the total figure almost to $28.3 millions of which more than $18 millions is in securities. Of these, $12 millions are Canadian and United States government issues. Total investments were $8 millions higher, the increase being reflected in a decrease of $6 millions in cash holdings.

Total policyholders' surplus was higher at $12 millions.

The Canadian operations of American Automobile are under the management of Shaw & Begg Ltd., Toronto.

| | 1942 $ | 1941 $ |
|---|---|---|
| Assets ............ | 28,297,875 | 26,247,676 |
| Securities .......... | 18,822,986 | 10,163,207 |
| Cash ............ | 7,074,461 | 13,611,328 |
| Prems. due .......... | 2,371,016 | 2,437,495 |
| Unearned prem. res. .. | 6,409,378 | 6,423,429 |
| Surplus ............ | 10,054,969 | 9,788,511 |
| P'holders surplus .... | 12,054,969 | 11,788,511 |

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**In Your Opinion—**

# Should Our Municipalities Create Postwar Nest Eggs?

## The Question: Should Municipalities Reduce Taxes or Create Special Reserve Earmarked for Definite Postwar Rehabilitation Projects Fund Meanwhile Invested in Victory Bonds?

### Lucien Borne

**Mayor of Quebec City.**

As a matter of principle the taxes should be reduced whenever possible because the taxpayers of one year should not be called upon to pay more than that year's expenditures. In practice, however, the rate of tax might fluctuate a great deal if the above theory were applied at a time like the one we are expecting to face.

The postwar situation will be such that expenditures which have been left aside owing to restrictions on material during the war will have to be added to the ordinary budget when war ends.

Furthermore, it may be expected that municipalities will have to take care of unemployed people. True enough the unemployment relief expenditures which will have to be made after the war should be borne entirely by the central government, but past experience shows us that the municipalities have never been forgotten when a disbursement has to be made toward supporting the necessities.

Under these circumstances the tax rate should only be reduced when it is relatively too high and when it is out of proportion with the taxpayers ability to pay. In all other cases it should be kept at its normal rate, the excess of its yield over the expenditures being invested as reserves for postwar reconstruction.

As legislation does not allow the creation of such reserves, it is recommended that pending the adoption of the necessary laws, municipalities should reduce their own debt more rapidly, thus creating an increase in their borrowing power which is another form of reserve.

* * *

### Dr. Horace L. Brittain

**Director and secretary, Citizens Research Bureau of Canada.**

There are three ways in which a municipality may help in the war effort:

1. Reduce tax levies, so as to leave more money in the hands of the citizens out of which to invest in war securities and pay war taxes.

2. Maintain tax levy and use resulting estimated surplus to retire debt, thus improving the municipalities' credit against borrowings for postwar reconstruction, or

3. Maintain tax levy and use resulting estimated surplus to create a reserve out of which postwar capital expenditures may be made.

The first is the safest, but I prefer the third, if

1. Reserves are definitely earmarked.

2. Adequate legislative and administrative controls are set up to prevent diversion by succeeding councils.

3. No expenditures can be made from reserve until a definite planned programme is set up,

**Because:.**

a. It will tend to prevent a postwar scramble for borrowed money.

b. Expenditures out of current funds are more carefully scrutinized than expenditures out of borrowed funds.

c. Final cost would be reduced by cutting interest charges.

d. It will facilitate co-ordination of all government programmes.

e. It will focus attention on the necessity for postwar planning.

* * *

**The extremely heavy response to The Post question this week makes it necessary to hold over some of the replies for publication next week.**

### Perry S. Bower

**Investment manager, Great West Life Assurance Co., Winnipeg.**

I believe those municipalities enjoying good municipal revenue occasioned, for example, by war industries should not reduce taxes at this time. Any accumulating surpluses should be used where possible for accumulation of reserves for postwar rehabilitation of municipal assets, and postwar employment projects. Maintenance of present tax scales has three outstanding advantages at this time, namely, accumulation of reserves for postwar period, acting as anti-inflationary factor and by investment of accumulated reserves in government bonds constitutes a direct contribution to the war effort. Reduction of municipal taxation would in fact be as inflationary as reduction of federal taxes.

### W. Garfield Case

**Mayor of Owen Sound, Ont.**

Municipalities should seek to create postwar reserves earmarked for definitely planned purposes. In no case should this reserve exceed one mill in any year. Municipalities should have regard for requirements of Dominion Government and local conditions and in no case should there be competition recognizing that central government must have the benefit of our entire resources if needed. The reason why I advocate a postwar reserve is because many improvements should actually be gone ahead with now, yet most people realize that we should not compete in limited labor and material market if work can possibly be postponed.

* * *

### Andrew Davison

**Mayor of Calgary.**

I believe it will be good business for municipalities to create a special liquid reserve earmarked for postwar work. This is necessary because, owing to wartime restrictions, much civic maintenance and construction work cannot now be done. If some provision by way of reserves is not made during the war period for these purposes and the tax rate reduced instead, it will mean heavy increased levies immediately following the cessation of hostilities, thus throwing the taxation structure out of line and placing added burdens on ratepayers at a time when they may find it more difficult to pay. Calgary has already started to build up such reserves and it is hoped to add to them each year during the duration of the war.

* * *

### Hon. A. Wells Gray

**Minister of Municipal Affairs, British Columbia Government.**

Municipalities should not reduce taxation but create a special reserve fund for postwar work with surplus and would even suggest an additional tax for capital expenditure on work that would be essential. But this should stand over until after the war, thus avoiding at that time any issue of bonds. Municipalities would then be in a position to co-operate with provincial and federal governments on necessary work and plans for same should be prepared now so that early action can be taken and unemployment avoided.

* * *

### G. Lyall Fraser

**Western City Co., investment brokers, Vancouver.**

In my opinion municipalities and provincial governments too should effect every possible economy of operation thereby reducing taxes. Present employment conditions with the critical demand for personnel for war production presents the opportunity to reduce the number of municipal employees temporarily at least.

Most cities now pursuing the policy of deferring all maintenance except urgent current necessities staffs should be reduced accordingly. As maturing obligations are repaid levies should be reduced and benefit passed on to ratepayers who in most cases are struggling under unprecedented federal income tax levies. Municipal levies can be restored when war is won and ratepayers have funds for rehabilitation.

* * *

### J. W. Fry

**Mayor of Edmonton, Alta.**

I believe a special reserve fund should be created of the amounts which would normally be set aside for street and utility improvements but which cannot be carried out because of lack of materials and labor, and also any additional funds which may be created by reasonable taxation. Power to do this is being sought at the present meeting of the Alberta legislative assembly.

War conditions create in many municipalities a sort of false prosperity and it seems advisable to me that those municipalities should lay aside a fund for periods of adversity which experience has taught us sooner or later will beset them. At the conclusion of the last world war Edmonton found streets, sidewalks, and utilities in a rundown condition which was not overcome for ten or fifteen years.

* * *

### Jules Fortin

**Secretary - treasurer, Dominion Mortgage and Investments Association, Toronto.**

Reduction in municipal taxes and creation by municipalities of a reserve for postwar rehabilitation projects are both desirable objectives. Reduced municipal taxes would give considerable impetus to construction activities in the postwar period and would assist private enterprise in providing more and better housing accommodation.

High municipal taxes in recent years have certainly been an obstacle to sound housing and real estate developments. Municipalities do not have to build up a special fund invested in Victory Bonds in order to create a special postwar reserve. They can do the same thing at a saving to themselves by reducing their debt at an accelerated rate. This, in effect, would result in the creation of a credit reserve for postwar purposes. The money released to creditors through repayment of debt would undoubtedly go into Victory Bonds.

* * *

### James Hamilton

**Mayor of Peterborough, Ont.**

The City of Peterborough has endeavored successfully to reduce taxes. During the past ten years the tax rate has been cut from 39½ mills to 30 mills, while the city's debenture debt has been cut in half. The city's net debt now being $1,274.000.

Since the war the council and associate bodies have kept public works to a minimum in order to permit workmen to take necessary war jobs and let taxpayers have more funds for investment in war bonds. Now, however, the council believes it wise to collect annually up to one mill above present needs to setup a reserve fund to do necessary public works after the war, providing that this does not cause an increase in the tax rate over the present rate. The larger taxpayers here concur in this decision, believing it to be good business to set up reserves in flush times for the period of readjustment to follow. Peterborough is already asking the Ontario legislature for authority to to this.

* * *

### George W. James

**Editor, Statesman, Bowmanville, Ont.**

The municipal act should be amended to allow municipalities, upon the assent of the electors, to set up a special reserve for necessary postwar projects, funds meanwhile invested in Victory Bonds. Present financial conditions make such action economically sound for the whole community. The former theory of issuing debentures for lifetime of project is bond salesman's dream and taxpayers' nightmare.

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# B. C. Japanese Houses, Stores Put Up for Sale by Government

From Our Own Correspondent

VANCOUVER.—Whether Canada will permit Japanese to live within her borders after the war is an issue that probably will not be settled until Hirohito's empire has been defeated, but Canada meanwhile is taking steps to eliminate the Jap problem in British Columbia.

Acting through the custodian of enemy alien property, the government is disposing of all property owned by Japanese in the west coast province. The houses they occupied in Vancouver and other coastal areas, the stores they operated, and the farms they cultivated, are gradually being sold, just as several months ago their fishing boats were transferred to other hands.

In a few months, while British Columbia will continue to have some 18,000 Japanese within her borders, practically all of them in special camps and settlements far in the interior, they will be virtually dispossessed. They will, of course, receive payment for their property, but there will be no easy return to them to the homes and occupations they had before Japan went to war with Canada.

A good many British Columbians, including outspoken members of the Legislature, hope that these steps will make it easier for Canada to ship all the Japanese back to the Orient after the war.

It is argued that the Japanese have lowered living standards, and that they have created a serious socialogical, economic and political problem in British Columbia.

If the Japanese in Canada were scattered throughout the various provinces and not concentrated on the west coast, British Columbia would have less to worry about, but the majority of people here are determined to see that the racial issue is not permitted to rise again.

Regardless of this sentiment, there will obviously be a delicate problem for legislators and diplomats in finding a way of returning to Japan the thousands of Japanese in Canada who were born in this country and do not speak the language of their forefathers.

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Serving

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MONTREAL TORONTO

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# Proposed B. C. Steel Industry May be Discussed in Commons

From Our Own Correspondent

VANCOUVER. — British Columbia's drive for establishment of a west coast steel industry is expected to come before the House of Commons. Those working for the project have adopted a "now or never" slogan and intend to get action or go down fighting.

The provincial government, according to statements by Premier Hart, is ready to support the building of a rolling mill at the cost of about $1 million, or a fully integrated plant costing some $16 millions. It will provide a bounty to the amount of $200,000 to encourage building of a rolling mill, and will bonus pig iron production to the extent of $2 millions.

The rolling mill could be financed in Vancouver by private interests, but nothing can be done without some encouragement from Ottawa, and there has been an inclination there to frown on priorities for the equipment required.

B. C. members of Commons have been given copies of the brief presented to the provincial government, and asked to find out the federal attitude.

Before negotiations for the larger enterprise—the $16 million pig iron plant—have proceeded very far, the interests likely to finance it will require data on the extent of the natural resources, and there is a lack of this, notwithstanding numerous surveys. A wide discrepancy exists between various estimates of the extent of iron ore, coking coal and other essential materials.

There may be some doubt as to British Columbia's ability to find business for a major steel industry, even though there has been spectacular expansion in that direction in the western States during the last two years, but there appears to be ample justification for a rolling mill whose raw material would be scrap metal now accumulating in the province at the rate of more than 30,000 tons annually.

This metal could be converted into light angles, bars, reinforcing rods, and rods for drawing into wire for the manufacture of nails. Such products could be readily absorbed by west coast industry, particularly the shipyards.

At present British Columbia ships scrap metal east and then brings it back in the form of usable products.

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An almost national lack of well-conducted supervisory programs is indicated by a survey of 15,000 representative companies. Foundation Report No. 134, titled "Industry's Report on Supervisory Training," *can be read thoroughly in 15 minutes*, to your advantage.

A vital part of our wartime transportation system is the interstate network of trucking lines. Foundation Report No. 135, "New Bottlenecks For Old" is an analysis of a large trucking company. In *twelve minutes reading time*, it tells you how these transportation problems were solved.

The effective employment of women has become a must industrial problem. In response to many requests we have prepared in Foundation Report No. 136, titled "Womanpower," a comprehensive digest of facts and references on this most timely subject.

FACTS FOR BUSINESS

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111 S. Dearborn Street CHICAGO

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**Corporation Earnings**

# Trust and Loan, Utilities Gain Strength

EARNED PER COMMON SHARE

| | 1942 $ | 1941 $ |
|---|---|---|
| Central Trust | 6.06 | 6.13 |
| Eastern Can. Savings | 5.72 | 7.51 |
| General Trust | 5.24 | 5.18 |
| Grey & Bruce Trust | 5.65% | 7.55% |
| Guelph & Ontario | 4.00 | 3.95 |
| Guelph Trust | 8.42% | 7.74% |
| Maritime Tel. & Tel. | 0.91 | 0.93 |
| Montreal Loan | 2.03 | 1.87 |
| Montreal Trust | 4.04 | 5.00 |
| Mortgage Corp. of N.S. | 5.26% | 5.00% |
| N. B. Telephone | 0.56 | 0.63 |
| Provincial Transport | 0.75 | 0.62 |
| Twin City Transit (pref.) | 35.70 | 7.91 |

DOMINION OF CANADA
BONDS

MIDLAND SECURITIES
LIMITED

TORONTO LONDON

ANNUAL REPORT

## COCKSHUTT PLOW COMPANY

LIMITED
AND ITS SUBSIDIARY
The FROST AND WOOD COMPANY, LIMITED
BRANTFORD - CANADA

### CONSOLIDATED BALANCE SHEET
NOVEMBER 30, 1942

ASSETS

| | | | |
|---|---|---|---|
| **Current Assets:** | | | |
| Cash in Banks and on Hand | | $ 410,516.99 | |
| Dominion of Canada Bonds—at cost | 400,000.00 | | |
| (Approximate Market Value $398,541.25) | | | |
| Accrued Interest to date | 986.30 | | |
| | | 400,986.30 | |
| Accounts and Notes Receivable, including $49,896.63 owing by partly owned Subsidiary Company, less Reserve for Doubtful Debts | | 2,166,984.92 | |
| Inventories as determined and certified by responsible officials of the Company: Raw Materials and Supplies, Goods in Process and Finished Product valued at the lower of cost or market, and expenditures in respect of future deliveries under contracts | | 5,359,541.20 | |
| Total Current Assets | | | $8,338,029.41 |
| **Investment in Partly Owned Subsidiary Company—Not Consolidated — Value as per Books:** Brantford Coach and Body Limited: Common Shares of no par value | | | 202,967.91 |
| **Refundable Portion of Excess Profits Tax** | | | 69,020.81 |
| **Deferred Charges to Future Operations** | | | 84,210.62 |
| **Patents, Trade Marks, Goodwill, etc.** | | | 1.00 |
| **Land, Buildings and Equipment:** At gross replacement values as appraised by the Canadian Appraisal Company Limited (Parent Company at November 30, 1934, Subsidiary Company at August 1, 1912) plus additions to date at cost, less retirements | | 7,780,602.25 | |
| Less: Reserves for Depreciation | | 3,699,727.39 | |
| | | | 4,080,874.86 |
| | | | $12,775,104.61 |

LIABILITIES

| | | | |
|---|---|---|---|
| **Current Liabilities:** | | | |
| Bank Loans—Secured | | 768,000.00 | |
| Accounts Payable: | | | |
| Trade | 1,454,504.04 | | |
| Other | 354,210.25 | | |
| | | 1,808,714.29 | |
| Estimated Income and Profits Taxes | | 911,138.99 | |
| Dividends Payable as under: | | | |
| On December 1, 1942 | 75,169.50 | | |
| On June 1, 1943 | 75,169.50 | | |
| | | 150,339.00 | |
| Total Current Liabilities | | | 3,638,192.28 |
| **Contingent Reserve** | | | 750,000.00 |
| **Share Capital:** | | | |
| Authorized: 500,000 Common Shares without nominal or par value. | | | |
| Issued: 300,678 Shares | | 6,382,876.00 | |
| **Consolidated Earned Surplus as per Statement Herewith** | | 963,768.43 | |
| **Capital Surplus** (No change during year): Being excess of Net Assets of wholly owned Subsidiary Company over book value of investment therein | | 971,247.09 | |
| **Deferred Surplus:** Refundable portion of Excess Profits Tax | | 69,020.81 | |
| | | | 8,386,912.33 |
| | | | $12,775,104.61 |

Approved on Behalf of the Board,
C. GORDON COCKSHUTT } Directors
GEO. A. BAKER }

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED NOVEMBER 30, 1942

| | | |
|---|---|---|
| Operating Profit for the year before charging the undernoted items | | 2,609,707.73 |
| Add: | | |
| Interest on Investments | | 6,418.47 |
| | | 2,616,126.20 |
| Deduct: | | |
| Executive Remuneration | 29,375.92 | |
| Directors' Fees | 5,000.00 | |
| | | 34,375.92 |
| | | 2,581,750.28 |
| Deduct: | | |
| Interest on Bank Loans | 99,219.43 | |
| Depreciation on Buildings and Equipment including Special Depreciation authorized by War Contracts Depreciation Board | 920,969.62 | |
| Loss on Disposal of Property, etc. | 6,177.53 | |
| Uncollectible Accounts written off, less Recoveries | 107,008.77 | |
| Legal Fees | 1,500.00 | |
| | | 1,134,875.35 |
| | | 1,446,874.93 |
| Deduct: | | |
| Provision for Income and Profits Taxes (of which the refundable portion of Excess Profits Tax amounts to $69,020.81) | | 908,127.58 |
| Consolidated Profit for the Year | | 538,747.35 |

### CONSOLIDATED STATEMENT OF EARNED SURPLUS

| | | |
|---|---|---|
| Balance at November 30, 1941 | $ 719,848.60 | |
| Add: | | |
| Adjustment of prior years Taxes | 58,958.72 | |
| | 778,807.32 | |
| Less: | | |
| Adjustment of Depreciation in respect of prior years | 53,447.24 | |
| | | 725,360.08 |
| Add: | | |
| Consolidated Profit for Year as stated | | 538,747.35 |
| | | 1,264,107.43 |
| Deduct: | | |
| Dividends Declared during the Year: | | |
| 25c per Share payable December 1, 1942 | 75,169.50 | |
| 25c per Share payable June 1, 1943 | 75,169.50 | |
| | | 150,339.00 |
| | | 1,113,768.43 |
| Deduct: | | |
| Transfer to Contingent Reserve | | 150,000.00 |
| Consolidated Earned Surplus as per Balance Sheet | | $ 963,768.43 |

To the Shareholders,
COCKSHUTT PLOW COMPANY LIMITED,

We have examined the books and accounts of Cockshutt Plow Company Limited, in Brantford and The Frost and Wood Company Limited, in Smith's Falls for the year ended November 30, 1942, and have had produced to us the signed returns at that date from the Branches of both Companies. We have received all the information and explanations we have required.

In our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of the Companies according to the best of our information and the explanations given to us and as shown by the books of the Companies in Brantford and Smith's Falls and the signed returns from the Companies' Branches.

Pursuant to Section 114 of the Dominion Companies Act, we report that the profits of the partly owned Subsidiary Company, Brantford Coach and Body Limited, for the year ended November 30, 1942, as shown by the audited accounts submitted to us, have been carried forward in the Balance Sheet of that Company. Your Company's proportion of such profits amounts to $91,543.18, and no part thereof has been included in the above accounts.

DELOITTE, PLENDER, HASKINS & SELLS, Auditors.

231 St. James Street, Montreal, January 27, 1943.

## TRUST & LOAN

### Central Trust

Central Trust Co. of Canada, Moncton, showed a net profit of $6,074 in the year ended Dec. 31, a decline from the previous figure of $6,144. Fred Magee, president, states that the year on the whole was satisfactory despite increased taxation.

| Income, Surplus—Years Ended Dec. 31 | 1942 | 1941 |
|---|---|---|
| Net profit* | $6,074 | $6,144 |
| Less: Dividends | 6,012 | 6,012 |
| Surplus for year | 62 | 132 |
| Add: Prev. surplus | 31,983 | 31,851 |
| Surplus forward | 32,045 | 31,983 |
| *After expenses, taxes, depreciation, etc. | | |
| Earns. on paid-up cap. | $6.06 | $6.13 |
| Paid | 6.00 | 6.00 |
| **Liabilities to Public at Dec. 31** | 1942 | 1941 |
| Guaranteed certs. | $1,030,106 | $860,093 |
| Savings, etc. | 303,590 | 269,061 |
| | 1,333,696 | 1,129,154 |
| Secured by: | | |
| Liquid assets | 17,841 | 81,066 |
| Mtges., int., etc. | 1,315,855 | 1,408,088 |
| Other net assets | 132,244 | 132,191 |
| | 1,465,940 | 1,621,345 |
| Estates, etc. | 4,705,158 | 4,627,380 |

### Eastern Canada Savings

Net profit of Eastern Canada Savings & Loan Co., Halifax, for the year ended Dec. 31, was $42,929, a drop of $23,428 from the 1941 total of $56,357.

W. H. Covert, president, states that cost of building has advanced considerably in the past two years, so that a conservative policy in real estate loans has been followed.

A special reserve of $45,000 was considered advisable owing to the decreased market value of stocks and bonds owned by the company. Of this, $15,000 was taken from the profit and loss account and $30,000 from the main reserve fund.

| Income and Surplus Account Years Ended Dec. 31 | 1942 | 1941 |
|---|---|---|
| Net earnings | 96,652 | 112,852 |
| Less: Taxes | 35,478 | 35,065 |
| Depreciation | 18,245 | 21,430 |
| Net profit | 42,929 | 56,357 |
| Less: Dividends | 45,000 | 52,500 |
| Surplus on year | *2,071 | 3,857 |
| Add: Prev. surplus | 4,249 | 392 |
| Surplus forward | 2,178 | 4,249 |
| Earnings per share | $5.72 | $7.51 |
| Paid | 6.00 | 5.00 |
| *Deficit. | | |
| **Liabilities to Public** | | |
| Debentures | $2,676,591 | $2,840,925 |
| Deposits | 881,543 | 835,463 |
| | 3,558,134 | 3,676,388 |
| Secured by: | | |
| Liquid assets | 842,656 | 761,872 |
| Mortgages & int. | 3,821,501 | 4,009,373 |
| Other net assets | 76,502 | 74,387 |
| | 4,740,659 | 4,845,637 |

### General Trust

Higher revenues were sufficient to enable General Trust of Canada to provide a reasonable contingency reserve and absorb increased taxes, Donat Raymond, president, states in the report for the year ended Dec. 31. Net profit was $57,628 against $57,026 in the previous period. Taxes were up from $43,601 to $46,485.

| Income, Surplus—Years Ended Dec. 31 | 1942 | 1941 |
|---|---|---|
| Net earnings | $104,113 | $100,627 |
| Less: Taxes | 46,485 | 43,601 |
| Net profit | 57,628 | 57,026 |
| Less: Dividends | 55,000 | 55,000 |
| Surplus on year | 2,628 | 2,026 |
| Add: Prev. surplus | 206,269 | 204,243 |
| Surplus forward | 208,897 | 206,269 |
| Earnings per share | $5.24 | $5.18 |
| Paid | 5.00 | 5.00 |
| **Creditors' Position** | | |
| Guaranteed account | $1,806,348 | $2,075,986 |
| Secured by: | | |
| Liquid assets | 1,806,348 | 2,075,986 |
| Net capital assets | 1,401,533 | 1,311,269 |
| | 3,207,881 | 3,387,255 |
| Estates, etc. | 49,571,179 | 49,680,773 |
| Safe custody acct. | 39,673,541 | 38,410,355 |

### Grey & Bruce

Estates and trusts account of Grey & Bruce Trust & Savings Co., Owen Sound, increased $400,890 over 1941 and stood at $2,108,213 for the year ended Dec. 31, C. A. Fleming, president, reports. Net profit was $30,819 as compared with $41,147.

Mortgage payments during the year were held to be satisfactory, and new loans totalled $216,726. Amount in mortgages is now $1,326,716.

| Profit, Loss—Years Ended Dec. 31 | 1942 | 1941 |
|---|---|---|
| Net earnings | $52,023 | $51,751 |
| Less: Taxes | 19,401 | 9,625 |
| Depreciation | 1,803 | 979 |
| Net profit | 30,819 | 41,147 |
| Less: Dividends | 27,235 | 27,235 |
| Tfr. to reserve | 3,584 | 13,912 |
| Surplus for year | ...... | ...... |
| Earnings per share | 5.65% | 7.55% |
| Paid | 5.00 | 5.00% |
| **Liabilities to Public at Dec. 31** | | |
| Invest. certs. | $2,186,126 | $1,949,058 |
| Deposits | 1,513,075 | 1,359,483 |
| | 3,699,201 | 3,308,541 |
| Secured by: | | |
| Liquid assets | 2,794,644 | 2,375,358 |
| Mortgages and int. | 966,140 | 978,672 |
| Other net assets | 619,700 | 619,700 |
| | 4,380,484 | 3,973,730 |
| Estates and trusts | 2,108,213 | 1,707,324 |

(Balance sheet includes prepayment and reserve for Dominion income taxes, of which $855 has been estimated as the refundable portion.)

### Guelph & Ontario

Despite an increase in taxes from $15,971 to $21,338, Guelph & Ontario Investment & Savings Society showed a net profit of $77,179 in the year ended Dec. 31, 1942, as against $76,396 in the previous year. Profit per share was $4 as compared with $3.95.

| Income and Surplus Account Years Ended Dec. 31 | 1942 $ | 1941 $ |
|---|---|---|
| Net earnings | 104,517 | 98,367 |
| Less: Taxes paid | 21,338 | 15,971 |
| Taxes reserve | 6,000 | 6,000 |
| Net profit | 77,179 | 76,396 |
| Less: Dividends | 53,086 | 57,912 |
| Surplus on year | 24,093 | 18,484 |
| Add: Prev. surplus | 31,245 | 30,761 |
| Less: Tfr. inv. res. | 25,000 | 18,000 |
| Surplus forward | 30,338 | 31,245 |
| Earnings per share | $4.00 | $3.95 |
| Paid | 2.70½ | 3.00 |
| **Liabilities to Public As at Dec. 31** | 1942 $ | 1941 $ |
| Debentures | 2,440,482 | 2,428,919 |
| Deposits | 1,274,140 | 1,321,255 |
| | 3,714,622 | 3,750,174 |
| Secured by: | | |
| Liquid assets | 919,221 | 923,116 |
| Mortgages and int. | 3,890,697 | 3,902,446 |
| Other net assets | 443,808 | 440,492 |
| | 5,253,726 | 5,266,054 |

*ADMINISTRATOR*

*M. W. McCutcheon, who has been appointed administrator of services for the Wartime Prices and Trade Board, succeeding James Stewart. He had been deputy administrator for some time. Graduate of the University of Toronto, Mr. McCutcheon was admitted to the bar in 1930. He was assistant manager of National Life Assurance Co. when he joined the staff of W.P.T.B.*

### Guelph Trust

Guelph Trust Co. earned 8.42% on paid up capital in the year ended Dec. 31, 1942, compared with 7.74% in the preceding period. Net profit was $25,523 against $23,435.

Estates, trust and agency account showed a gain of approximately $184,000 at $5,058,021. The guaranteed trust account was down slightly from $516,445 to $498,508. Mortgages and miscellaneous net assets were up, liquid assets down.

| Income and Surplus Account Years Ended Dec. 31 | 1942 $ | 1941 $ |
|---|---|---|
| Net earnings | 45,003 | 43,172 |
| Less: Taxes paid | 14,480 | 13,737 |
| Taxes reserved | 5,000 | 6,000 |
| Net profit | 25,523 | 23,435 |
| Less: Dividends | 15,125 | 15,125 |
| Surplus on year | 10,398 | 8,310 |
| Add: Prev. surplus | 80,016 | 71,706 |
| Less: Tfr. invest. res. | 10,000 | ...... |
| Surplus forward | 80,414 | 80,016 |
| Earnings on Paid-Up Capital | 8.42% | 7.74% |
| Paid | 5.00% | 5.00% |
| **Liabilities to Public** | $ | $ |
| Trust funds | 498,508 | 516,445 |
| Secured by: | | |
| Liquid assets | 52,535 | 117,409 |
| Mortgages and int. | 449,718 | 399,036 |
| Other net assets | 540,170 | 533,517 |
| | 1,042,423 | 1,049,962 |
| Estates, etc. | 5,058,021 | 4,873,017 |

### Montreal Loan

Montreal Loan & Mortgage Co. reports a higher income in 1940, but due to larger reserves, net position was slightly under that for 1941. During the year, $50,000 was transferred from reserve fund as further provision against possible losses on real estate. Net value of mortgages and real estate showed a moderate decline in 1942, but investments were up nearly 200%.

| Income and Surplus Account Years Ended Dec. 31 | 1942 | 1941 |
|---|---|---|
| Net income | $48,633 | $44,940 |
| Less: Dividends | 30,000 | 30,000 |
| Reserves | 18,465 | 14,502 |
| Surplus | 168 | 438 |
| Previous surplus | 10,001 | 9,563 |
| Surplus forward | 10,169 | 10,001 |
| Earned per share | $2.01 | $2.03 |
| Paid per share | 1.25 | 1.25 |
| **Balance Sheet Changes** | | |
| Mortgages | $1,056,927 | $1,121,048 |
| Real estate | 174,141 | 284,637 |
| Investments | 192,397 | 65,522 |
| Cash | 12,578 | 27,590 |

### Mtge. Corp. of N.S.

Mortgage Corp. of Nova Scotia, Halifax, for the year ended Dec. 31, had net profit of $35,800 as compared with $35,432 in the previous period.

Real estate held for sale was $40,023, $6,983 less than last year. Debentures outstanding totalled $357,382, down $30,853. Deposits are up $5,072 to $54,075. A. H. Whitman, president, notes that Halifax business was substantially increased.

| Income, Surplus—Years Ended Dec. 31 | 1942 | 1941 |
|---|---|---|
| Net earnings | $89,005 | $90,554 |
| Less: Mgement. cost | 13,647 | 13,655 |
| Deb. int. | 15,178 | 15,641 |
| Int. on deposits | 1,291 | 1,356 |
| Taxes | 19,836 | 21,217 |
| Dirs. remun. | 2,500 | 2,500 |
| Depreciation | 754 | 754 |
| Net profit | 35,800 | 35,432 |
| Less: Dividends | 34,000 | 34,000 |
| Surplus for year | 1,800 | 1,432 |
| Add: Prev. surplus | 3,432 | 1,999 |
| Surplus forward | 5,232 | 3,431 |
| Earns. on paid-up cap. | 5.26% | 5.00% |
| Paid | 5.00 | 5.00 |
| **Liabilities to Public at Dec. 31** | 1942 | 1941 |
| Debentures & int. | $361,739 | $392,916 |
| Deposits | 54,075 | 49,002 |
| | 415,814 | 441,918 |
| Secured by: | | |
| Liquid assets | 41,499 | 35,360 |
| Mtges., agmts. | 1,365,845 | 1,396,351 |
| *Other net assets | 45,046 | 26,944 |
| | 1,452,390 | 1,458,655 |

*Other assets excluding $320,000 of uncalled subscribed capital stock, less current liabilities.

### Montreal Trust

Montreal Trust Co. showed a net profit of $323,620 in the year ended Dec. 31, 1942, compared with $331,429 in the previous period. Per share earnings were $4.04 as against $5 in 1941.

Offsetting curtailed business due to prevailing conditions in the trust company field, F. G. Donaldson, president, stated at the annual meeting this week in Montreal, was the steady growth in other divisions, such as estates, trusts and agencies. He pointed out that many new estates have been opened for the firm's administration in the year and that safe custody and management accounts have greatly increased.

| Profit and Loss Account Years Ended Dec. 31 | 1942 $ | 1941 $ |
|---|---|---|
| Net earnings | 505,949 | 511,332 |
| Less: Taxes | 181,329 | 179,903 |
| Net profit | 323,620 | 331,429 |
| Less: Dividends | 288,000 | 320,000 |
| Surplus for year | 35,620 | 11,429 |
| Add: prev. surplus | 634,028 | 632,599 |
| Less: Trf. to Pens. F. | 10,000 | 10,000 |
| Surplus forward | 659,648 | 634,028 |
| Earned Per Share: | $4.04 | $5.00 |
| Paid | 3.60 | 4.00 |
| **Creditors' Position** | | |
| Trust funds | 15,831,378 | 15,957,543 |
| Secured by: | | |
| Trust acct. assets | 15,831,373 | 15,957,545 |
| Net cap. assets | 5,660,649 | 5,644,028 |
| | 21,492,027 | 21,601,573 |
| Estates, etc | 870,991,923 | 865,268,872 |

## Utilities

### Maritime Tel. & Tel.

Maritime Telegraph & Telephone Co. reports record gross income in 1942, but after taxes, net profits were slightly less than in 1941.

A feature of operations last year was an increase of 21.7% in toll service revenues, which now aggregate about 32% of all income. Long distance calls to points beyond the Maritime Provinces increased 44%. At the end of last year there were 55,719 stations in operation, the largest number ever reported, and nearly 4,300 more than at the close of 1941.

| Income and Surplus Account Years Ended Dec. 31 | 1942 | 1941 |
|---|---|---|
| Operating profit | $3,096,401 | $2,709,631 |
| Add: Other income | 10,023 | 4,996 |
| Total earnings | 3,106,424 | 2,714,627 |
| Less: Interest | 187,500 | 188,750 |
| Income & E. P. tax. | 645,056 | 560,055 |
| Oper. expenses | 1,742,584 | 1,478,436 |
| Other interest | 509 | 1,020 |
| Bond discount | 11,349 | 11,499 |
| Net profit | 519,246 | 474,867 |
| Less: Pref. divds. | 105,000 | 105,000 |
| Common divds. | 320,830 | 315,252 |
| Surplus for year | 93,416 | 54,615 |
| Add: Prev. surplus | 230,867 | 176,253 |
| Sec. profit | 149 | ...... |
| Less: E. P. T. refund | 49,350 | ...... |
| Earned surplus forw'd. | 275,262 | 230,867 |
| Earned per share: | | |
| Preferred | $3.13 | $3.16 |
| Paid | 0.70 | 0.70 |
| Common | 0.91 | 0.93 |
| Paid | 0.90 | 0.90 |
| Working capital | $796,846 | $1,010,437 |
| **Balance Sheet Changes** | | |
| Cash | $478,092 | $937,464 |
| Investments | 129,900 | 120,726 |
| Accts. receivable | 350,019 | 314,854 |
| Inventories | 472,192 | 348,393 |
| Fixed assets | 12,851,672 | 12,160,351 |

### N. B. Telephone

With an all-time record 38,875 telephones in service, and with toll traffic the heaviest in history, New Brunswick Telephone Co. reports substantially higher earnings in 1942, but after taxes, net profits were slightly less than in 1941.

Financially the position of the company underwent an improvement. Working capital deficit of $45,519 was changed to a favorable balance of $121,569, despite an almost doubling of bank loans and a further issue of notes to the trustee of the pension fund.

| Income and Surplus Account Years Ended Dec. 31 | 1942 | 1941 |
|---|---|---|
| Operating profit | $2,114,782 | $1,892,354 |
| Add: Other income | 1,889 | 2,262 |
| Total earnings | 2,116,671 | 1,894,616 |
| Less: Depreciation | 378,594 | * |
| Interest | 26,454 | 16,177 |
| Income & E. P. taxes | 353,024 | * |
| Oper. expenses | 944,554 | 1,480,155 |
| Net profit | 366,976 | 398,344 |
| Less: Common divds. | 319,102 | 318,604 |
| Surplus for year | 47,874 | 79,740 |
| Add: Prev. surplus | 220,054 | 140,042 |
| Less: Adjustments | 17,600 | 272 |
| Earned surplus forw'd. | 250,328 | 220,054 |
| *Included in operating expenses. | | |
| Earned per share: | | |
| Common | $0.56 | $0.63 |
| Paid | 0.50 | 0.50 |
| Working capital | $121,569 | †$45,519 |
| †Excess of current liabilities. | | |
| **Balance Sheet Changes** | | |
| Cash & investments | $145,460 | $31,300 |
| Accts. receivable | 306,519 | 280,483 |
| Inventories | 307,723 | 279,523 |
| Bank loans | 496,550 | 260,000 |
| Notes sold | 169,571 | 112,884 |

### Provincial Transport

Provincial Transport Co. reports sharp increase in gross revenues to new high peak in 1942. After tax provision net profit totalled 75.4 cents a share, as against 61.7 cents in 1941.

W. S. Hart, president, reports operations now come under the Transit Controller and that equipment is being used to capacity. The urban transportation services in Kingston and Sherbrooke increased about 44.5% last year. Mr. Hart further reported that when traffic lessened, considerable deferred maintenance expense must be undertaken, which cannot be provided for at present.

| Income and Surplus Account Years Ended Dec. 31 | 1942 | 1941 |
|---|---|---|
| Operating profit | $3,937,284 | $3,010,892 |
| Add: Other income | 6,203 | 5,541 |
| Total earnings | 3,943,487 | 3,016,433 |
| Less: Oper. expenses | 2,081,288 | 1,782,230 |
| Gen. expenses | 132,877 | 108,867 |
| Op. tax. & licenses | 380,470 | 344,326 |
| Depreciation | 390,732 | 348,748 |
| Interest | 14,761 | 8,185 |
| Income & E. P. tax. | *754,750 | 269,650 |
| Net profit | 188,598 | 154,427 |
| Less: Common divds. | 100,000 | 100,000 |
| Surplus for year | 88,598 | 54,427 |
| Add: Prev. surplus | 492,583 | 447,039 |
| Less: Adjustments | 263 | 8,883 |
| Earned surplus forw'd. | 580,918 | 492,583 |
| *$74,382 refundable. | | |
| Earned per share: | | |
| Common | 75.4c | 61.7c |
| Paid | 40.0 | 40.0 |
| Working capital | $239,430 | $186,806 |
| **Balance Sheet Changes** | | |
| Cash | $74,599 | $227,901 |
| Call loans | 520,000 | 220,000 |
| Investments | 164,141 | 54,041 |
| Mortgage loans | 283,750 | 300,000 |
| Fixed assets, net | 1,568,879 | 1,482,356 |

### Twin City Transit

A passenger revenue gain of 31.09% was reported by D. J. Strouse, president, Twin City Rapid Transit Co., for the year ended Dec. 31. War workers and rationing of tires and gasoline are held responsible for the increase, as well as a new fare schedule in force for the full year. Passengers carried increased 21.69%. Dividends amounting to $7 on preferred shares were paid. At the end of the year arrears totalled $49 per preferred share.

| Consol. Income, Surplus Years ended Dec. 31 | 1942 $ | 1941 $ |
|---|---|---|
| Oper. revenue | 11,439,792 | 8,671,525 |
| Less: Oper. taxes | 1,847,083 | 945,085 |
| Oper. expenses | 7,706,970 | 6,611,524 |
| Net oper. income | 1,885,739 | 1,114,916 |
| Add: Non-oper. inc. | 20,313 | 15,245 |
| Less: Funded debt int. | 764,763 | 815,073 |
| Discount amort. | 53,512 | 56,777 |
| Misc. debits | 16,740 | 21,008 |
| Net profit | 1,071,037 | 237,302 |
| Less: Pref. divids. | 210,000 | ...... |
| Surplus on year | 861,037 | 237,302 |
| Add: Previous surplus | 3,984,350 | 3,640,775 |
| Prof. on secs. reaq. | 275,731 | 216,431 |
| Prof. on secs. sold | ...... | *1,874 |
| Misc. adjusts. | ...... | 6,152 |
| Less: Unamort disc. | 56,481 | 24,782 |
| Non-oper. taxes | 9,717 | 74,358 |
| Loss aband. prop. | ...... | 19,044 |
| Misc. adjusts | 5,290 | ...... |
| Surplus forward | 5,049,631 | 3,984,350 |
| Times Consol. Bond Int. Earned | 2.49 | 1.38 |
| Earnings per Preferred Share | $35.70 | $7.91 |
| Paid | 7.00 | nil |
| Per common share | 0.43 | 0.12 |
| Paid | nil | nil |
| Working capital | 831,466 | 1,795,064 |

## Market Opinions

Stock market comment this week continues to advocate caution for the present and suggest possibility of a reaction.

**Magazine of Wall St., N.Y.**—Increasingly speculative character of the present market is indicated by large rise in volume and great interest in low-priced stocks. While this scramble can go somewhat further, we think it prudent not to buy for longer retention on concentrated strength.

* * *

**Barron's, N.Y.**—The market has been stronger than analysis indicates. Big advances have been in the low-priced stocks. In proportion to the mounting activity, the progress for the industrial on the average, has been slight. Sporadic break-aways by individual issues failed to follow through or to stimulate group movements. The market, though it may not have reached its precise top, must be growing more vulnerable to any unexpected adverse news or to a change in psychology.

## Paper Mill Operations Downward in U.S.

Paper mill operations in the United States continue to show a downward trend. For the week of Feb. 6, the operating ratio of mills reporting to the American Paper and Pulp Association was 87.2, or the same as in the preceding week. For the week ended Feb. 7 a year ago, the operating ratio was 103.7.

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Grain Elevator Issues

The recent rise in Alberta Pacific Grain Preferred, which has more than trebled in price in less than three months, has emphasized the fact that the grain industry as a whole has enjoyed substantially increased earnings for several years.

A current comparative analysis of the grain issues will be forwarded on request.

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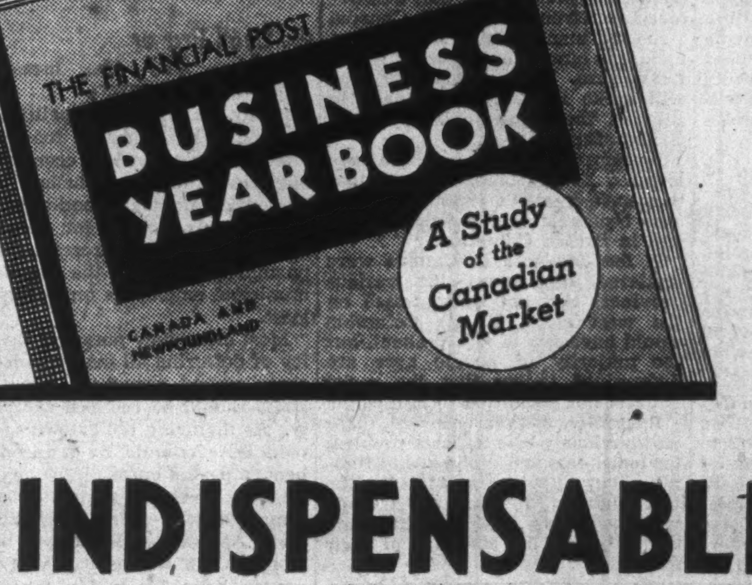

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**Corporation Earnings**

# Industrial Profits Stable

| EARNED PER COMMON SHARE | 1942<br>$ | 1941<br>$ |
|---|---|---|
| Building Products | 0.88 | 0.98 |
| Cosmos Imperial | 2.07 | 2.30 |
| Crown Cork & Seal | 2.27 | 3.02 |
| Dunlop Tire (Pref.) | 5.13 | 5.60 |
| General Steel Wares | 0.82 | 0.70 |
| Imperial Tobacco | 0.56 | 0.58 |
| J. S. Mitchell & Co. | 4.80 | 4.19 |
| Robert Mitchell | 4.76 | 5.31 |
| Monarch Knitting | 5.80 | 1.55 |
| Simpsons Ltd. (Class A) | 2.58 | 2.46 |

## INDUSTRIAL

### Building Products

Building Products Ltd. net profit declined in 1942 owing to higher provision for depreciation and taxes.

W. R. McNeil, president, looks for a sizeable amount of repair work during the current year, with the aggregate likely to run into a substantial figure. Current order volume indicates capacity operations at the company's paper mills for some time to come, he states.

Income and Surplus Account
Years Ended Dec. 31

| | 1942 | 1941 |
|---|---|---|
| Operating profit | $1,236,256 | $1,148,228 |
| Add: Other income | 28,271 | 19,038 |
| Total earnings | 1,264,527 | 1,167,266 |
| Less: Exec. remuner. | 88,914 | 91,790 |
| Directors' fees | 3,240 | 3,280 |
| Legal fees | 991 | 2,904 |
| Depreciation | 108,376 | 98,538 |
| Income & E. P. tax. | *638,000 | 495,000 |
| Net profit | 425,008 | 475,755 |
| Less: Common divd. | 386,707 | 386,707 |
| Surplus for year | 38,301 | 89,048 |
| Add: Prev. surplus | 1,072,127 | 1,033,079 |
| Less: Inventory res. | 38,301 | 50,000 |
| Earned surplus forw'd. | 1,072,127 | 1,072,127 |
| Earned on common | $0.88 | $0.98 |
| Paid | 0.80 | 0.80 |
| Working capital | $1,917,196 | $1,809,875 |
| **Balance Sheet Changes** | | |
| Cash | $ 288,401 | $403,573 |
| Investments | 1,123,000 | 970,555 |
| Accts. receivable | 474,635 | 538,289 |
| Inventories | 657,941 | 701,539 |

### Crown Cork & Seal

Crown Cork & Seal Co. showed a net profit of $227,154 in the year ended Dec. 31. In 1941 net profit was $302,798. Earnings per share were $2.27 as compared with $3.02.

Taxes gained substantially in the latest period. Working capital was tallied at $682,274 against $679,662 in 1941. Investments (shown in the annual statement at less than market value) were $219,791 in 1942 against $119,666 in 1941. The inventory depreciation reserve is up $6,000 to $42,000, while inventories and accounts receivable were $1,105,525, compared with $989,521 in 1942.

Income, Surplus—Years Ended Dec. 31

| | 1942 | 1941 |
|---|---|---|
| Operating profit | $609,887 | $611,962 |
| Add: Capital asset adj. | ...... | 62 |
| Investment sale | 375 | ...... |
| Reduct. in invent. res. | 6,000 | ...... |
| Less: Taxes | ‡339,108 | 255,289 |
| Postwar adj. rsv. | 50,000 | ...... |
| Invest. deprec. | ...... | 11,937 |
| Invent. deprec. rsv. | ...... | 42,000 |
| Net profit | 227,154 | 302,798 |
| Less: Dividends | 200,000 | 200,000 |
| Surplus | 27,154 | 102,798 |
| Add: Postwar refundable E. P. tax | 25,156 | ...... |
| Prev. surplus | 581,720 | 478,992 |
| Surplus forward | 634,030 | 581,720 |
| Earned per share | $2.27 | $3.02 |
| Paid | 2.00 | 2.00 |
| Working capital | $682,274 | $679,662 |

‡Includes postwar refundable portion E. P. tax at $25,156.

### Cosmos Imperial

Production of Cosmos Imperial Mills during 1942 slightly exceeded the high level of the previous year, primarily due to an emphasis on heavier fabrics, states W. S. Burrill, president, in the annual report. Personnel turnover, absenteeism and substitution and training of female employees for men's jobs were contributing factors to lowered efficiency and higher labor costs. The improvement in sales return was not sufficient to offset the increased cost of production.

For 1943, loom schedules are on a basis of 70% for war requirements with the remainder available for essential civilian supply.

Mr. Burrill reports that war conditions resulted in an agreement between the company and Commodity Prices Stabilization Corp. The agreement deals with the supply of raw cotton for the company on terms of subsidy assistance, which should enable it to operate satisfactorily.

Cons. Income and Surplus Account
Years Ended Dec. 31

| | 1942<br>$ | 1941<br>$ |
|---|---|---|
| Operating profit | 628,426 | 861,853 |
| Add: Other income | 4,168 | 8,212 |
| Total earnings | 632,594 | 870,065 |
| Less: Exec. remun. & legal fees | 34,068 | 34,449 |
| Directors' fees | 5,800 | 5,800 |
| Depreciation | 202,664 | 187,983 |
| Inc. & E. P. taxes | 173,419 | 351,600 |
| Pens. fund | 8,500 | 30,000 |
| War ins. | 1,104 | ...... |
| Trf. conting. res. | .... | 30,000 |
| Net profit | 207,039 | 230,233 |
| Less: Com. dividends | 135,000 | 135,000 |
| Surplus for year | 72,039 | 95,233 |
| Add: Previous surplus | 812,608 | 717,375 |
| Earned surp. forward | 884,647 | 812,608 |
| Earned per share: | | |
| Common | 2.07 | 2.30 |
| Paid | 1.35 | 1.35 |
| **Working Capital** | $ | $ |
| Current assets | 1,595,639 | 1,762,268 |
| Current liabilities | 1,070,892 | 417,918 |
| Working capital | 1,524,747 | 1,344,350 |
| **Balance Sheet Changes** | $ | $ |
| Cash | 179,960 | 331,802 |
| Investments | 358,550 | 152,250 |
| Accounts receivable | 295,172 | 547,426 |
| Inventories | 1,688,724 | 685,990 |
| Bank loans | 905,000 | .... |
| Funded debt | 304,000 | 342,000 |
| Fixed assets | 2,824,846 | 2,748,657 |
| Less: Depreciation | 1,377,755 | 1,194,053 |

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### Dunlop Tire

In spite of expanded volume of war work, elimination of most civilian business caused a "considerable reduction in sales" of Dunlop Tire & Rubber Goods Co. in 1942, James I. Simpson, president and general manager, reports. Gross profit was below the previous year but drastic reduction in distributing costs resulted in higher net income before taxes. The company has not charged the $75,400 refundable portion of its excess profit tax against current earnings.

Adjustments in manufacturing processes and other measures taken to assure maximum war output will "almost certainly result in additional expenses at some later date." Consequently a war contingencies reserve of $130,000 has been set aside from 1942 earnings. The company's standard profit was established during the year, and excess tax provision in previous years, as well as a portion of bad debt reserve not required, has been added to the war contingencies reserve, bringing this account to $350,000.

Earnings of Canadian Lastex Ltd., a subsidiary, were seriously affected by restrictions of use of lastex yarns. War orders received will keep plant operating at present capacity for some months.

Mr. Simpson mentions that the company has undertaken to supervise manufacture of aircraft brake and gun operating equipment developed by Dunlop Rubber Co., England, an activity becoming increasingly important. Dunlop is supplying, and making in Canada, tires, wheels and brakes, brake and gun operating equipment and sundry rubber products for the Mosquito bomber being made by de Havilland Aircraft Co. of Canada.

Income, Surplus—Years Ended Dec. 31

| | 1942 | 1941 |
|---|---|---|
| Operating profit | $1,199,113 | $931,240 |
| Add: Other income | 12,803 | 6,068 |
| Total earnings | 1,211,916 | 937,308 |
| Less: Depreciation | 262,681 | 262,578 |
| Inc. and E. P. taxes | *650,000 | 490,315 |
| Conting. provision | 130,000 | ...... |
| Net profit | 169,235 | 184,415 |
| Less: Preferred divids. | 41,184 | 41,184 |
| Common dividends | 28,384 | 28,384 |
| Surplus for year | 99,667 | 114,847 |
| Add: Previous surplus | 432,497 | 317,650 |
| Tax & guar. adj. | 73,349 | ...... |
| Earned surplus forw'd | 605,513 | 432,497 |

*Does not include $75,400 refundable portion of tax. Had this been deducted from year's profits, net would have been $93,835 and earnings on preferred $2.78 a share.

| | 1942 | 1941 |
|---|---|---|
| Earned per share: | | |
| Preferred | $5.13 | $5.60 |
| Paid | 1.25 | 1.25 |
| | $ | $ |
| Working capital | $3,163,240 | $2,643,892 |
| **Balance Sheet Changes** | $ | $ |
| Cash | $237,956 | $489,563 |
| Investments | 1,199,215 | ...... |
| Accounts receivable | 756,668 | 1,200,787 |
| Inventories | 1,553,675 | 1,953,644 |

### General Steel Wares

General Steel Wares' gross income in 1942 was more than 50% above that for the preceding year. Only part of the increase was carried through to net profits owing to higher taxes.

Working capital showed a gain during the year, despite the retirement of over $700,000 of bonds. Cash and government bonds held at the end of the year were more than sufficient to take care of all current liabilities.

Income and Surplus Account
Years Ended Dec. 31

| | 1942 | 1941 |
|---|---|---|
| Operating profit | $2,954,234 | $1,974,638 |
| Less: Exec. remun. | 90,811 | 91,415 |
| Depreciation | 621,660 | 496,750 |
| Interest | 254,553 | 270,576 |
| Income & E. P. taxes | *1,175,558 | 440,000 |
| Spcl. depreciation | 212,715 | 119,948 |
| Net profit | 598,937 | 555,769 |
| Less: Pref. divds. | 338,850 | 327,150 |
| Common divds. | 155,439 | 155,439 |
| Surplus for year | 104,648 | 73,180 |
| Add: Prev. surplus | 555,447 | 482,267 |
| Surplus forward | 660,095 | 555,447 |

*Refundable tax $94,342.

| | 1942 | 1941 |
|---|---|---|
| Earned per share: | | |
| Preferred | $13.31 | $12.35 |
| Common | 0.82 | 0.70 |
| Working capital | $4,697,206 | $4,473,617 |
| **Balance Sheet Changes** | | |
| Cash | $854,844 | $184,616 |
| Investments | 500,000 | ...... |
| Accts. receivable | 1,046,851 | 1,486,003 |
| Inventories | 3,613,552 | 4,153,558 |
| Funded debt | 5,415,500 | 6,127,000 |

### Imperial Tobacco Co.

Lower investment income and higher taxes offset Imperial Tobacco Co. of Canada's gains in operating income during 1942; earnings on the common being 56 cents a share, as against 58 cents the year before.

Several major changes are noted in the balance sheet position. An increase of nearly $6 millions in inventory and around $4 millions in investment in subsidiaries finds reflection in a bank loan of $3.7 millions, and a sharp decline in cash and government bonds.

Income and Surplus Account
Years Ended Dec. 31

| | 1942 | 1941 |
|---|---|---|
| Operating profit | $9,820,855 | $7,849,177 |
| Add: Other income | 1,136,903 | 1,853,568 |
| Total earnings | 10,957,758 | 9,702,745 |
| Less: Exec. remuner.* | 312,531 | 330,035 |
| Legal fees | 15,101 | 52,000 |
| Depreciation | 240,867 | 356,867 |
| Income & E. P. tax. | †4,592,505 | 2,995,412 |
| Net profit | 5,796,754 | 5,968,431 |
| Less: Pref. divds. | 481,800 | 481,800 |
| Common divds | 3,780,413 | 3,780,413 |
| Surplus for year | 1,534,541 | 1,706,218 |
| Add: Prev. surplus | 5,849,574 | 6,271,726 |
| Less: Final divd. | 1,653,930 | 2,126,482 |
| Tax adjust. | 27,878 | 1,888 |
| Earned surplus forw'd. | 5,702,306 | 5,849,574 |

*Includes superannuation fund.
†Tax refund, $248,394.

| | 1942 | 1941 |
|---|---|---|
| Earn. per common sh. | $0.56 | $0.58 |
| Working capital | $10,771,416 | $14,572,009 |
| **Balance Sheet Changes** | | |
| Cash | $176,821 | $4,520,044 |
| Investments | 25,491,761 | 21,789,816 |
| Accts. payable | 2,975,062 | 1,680,206 |
| Inventories | 20,273,779 | 14,580,374 |
| Bank loans | 3,677,375 | ...... |
| Fixed assets | 2,904,049 | 2,809,968 |

### J. S. Mitchell & Co.

J. S. Mitchell & Co. reports higher volume of business in 1942. After all charges, net profits were equal to $4.80 a share, as against $4.19 in 1941. Balance sheet shows strong position, with cash and government bonds being well above in 1941.

Income and Surplus Account
Years Ended Dec. 31

| | 1942 | 1941 |
|---|---|---|
| Operating profit | $482,943 | $397,936 |
| Add: Other income | 4,992 | 8,556 |
| Total earnings | 487,935 | 406,493 |
| Less: Gen. expenses | 415,887 | 336,033 |
| Net profit | 72,057 | 70,459 |
| Less: Pref. divds. | ...... | 7,604 |
| Common divds. | 37,500 | 37,500 |
| Surplus for year | 34,557 | 25,355 |
| Add: Prev. surplus | 520,751 | 489,467 |
| Earned surplus forw'd. | 553,308 | 514,822 |
| Earned on common | $4.80 | $4.19 |
| Working capital | $710,607 | $736,865 |
| **Balance Sheet Changes** | | |
| Govt. bonds | $200,000 | $50,000 |
| Accts. receivable | 294,860 | 417,286 |
| Inventories | 357,604 | 348,127 |
| Accts. payable | 219,926 | 308,463 |
| Funded debt | 216,000 | 240,000 |

### Robert Mitchell Co.

Reflecting sharply expanded operations, Robert Mitchell Co. reports a net profit of $4.76 a share in 1942 as against $5.31 in 1941. Refundable portions of the income tax last year amounted to $3.65 a share. Financially the position of the company underwent a marked improvement.

S. C. Holland, president and managing director, states that future dividend payments may be modified when the present excess profits tax, which applied for only half the year 1942, is exacted against earnings for the full year. "Had this tax been in effect throughout all of 1942," explained Mr. Holland, "the net earnings for the year, available for dividends, would have been reduced to approximately $1.35 a share; the refundable portion of the tax, however, would have been increased to $7.30 a share.

Income and Surplus Account
Years Ended Dec. 31

| | 1942 | 1941 |
|---|---|---|
| Oper. profit | $3,420,678 | $2,281,601 |
| Interest earned | 2,699 | nil |
| Total income | 3,423,377 | 2,281,601 |
| Less: Exec. salaries | 46,021 | 45,765 |
| Bank interest | 18,546 | 25,224 |
| Dir. fees | 5,350 | 5,150 |
| Legal expenses | nil | 135 |
| Depreciation | 600,000 | 250,000 |
| Inc. & E. P. taxes | *2,408,818 | 1,570,716 |
| Net income | †344,642 | 384,610 |
| Dividend | 144,800 | 108,600 |
| Surplus | 199,842 | 276,010 |
| Add. taxes, pr. yr. | nil | 17,295 |
| Previous surplus | 460,478 | 201,763 |
| Surplus forward | 660,320 | 460,478 |
| Earned per share | †$4.76 | $5.31 |
| Paid per share | 2.00 | 1.50 |

*Including $264,323 refundable portion of excess profits tax.
†Excluding $264,323, or $3.65 per share, refundable portion of excess profits tax.

| | 1942 | 1941 |
|---|---|---|
| Working capital | $1,103,664 | $631,251 |
| **Balance Sheet Changes** | | |
| Cash | $405,357 | $242,964 |
| Govt. bonds | 379,150 | 70,200 |
| Accts. receivable | 3,275,597 | 2,172,017 |
| Inventories | 962,789 | 1,418,343 |
| Bank loans | ...... | 803,000 |
| Accts. payable | 2,826,127 | 1,175,628 |

### Monarch Knitting

Net profit of the Monarch Knitting Co., for the year ended Dec. 31, was $126,482, a gain of $54,199 over the previous period. J. A. Burns, president, reports that no decision has yet been received from the board of referees regarding adjustment of the standard profits for the basic period as a base for taxation. A reserve of $151,054 was set aside for taxes, based on the company's own claim to the board.

Income, Surplus—Years Ended Dec. 31

| | 1942 | 1941 |
|---|---|---|
| Operating profit | $327,536 | $182,283 |
| Less: Depreciation | 50,000 | 30,000 |
| Income & E. P. taxes | 151,054 | 75,000 |
| Net profit | 126,482 | 72,283 |
| Less: Pref. dividends. | 52,500 | 52,500 |
| Surplus for year | 73,982 | 19,739 |
| Add: Prev. surplus | 637,642 | 616,941 |
| Surplus forward | 711,624 | 637,642 |
| Earned per share—Pfd. | $16.86 | $9.64 |
| Paid | 7.00 | 7.00 |
| Common | 5.80 | 1.55 |
| Paid | nil | nil |
| Working capital | $929,399 | $899,279 |
| **Balance Sheet Changes** | | |
| Cash | $212,603 | $59,431 |
| Accts. receivable | 410,194 | 446,690 |
| Inventory | 643,017 | 840,652 |
| Bank loans | ...... | 52,102 |
| Accts. payable | 73,140 | 174,594 |

### United Corps. Ltd.

Higher asset valuation, accompanied by increases in both gross and net income, are reported by United Corps. Ltd. for 1942.

At the end of the year investment and cash had a valuation of $8.6 millions, after cancellation of $100,000 of the corporation's own income bonds, indicating an increase during the year of 7.72% in asset valuation. Breakup value of the Class B shares was $14.25 a share, compared with $11.56 at the end of 1941.

Income and Surplus Account
Years Ended Dec. 31

| | 1942 | 1941 |
|---|---|---|
| Gross income | $397,376 | $363,840 |
| Less: Expenses | 43,195 | 44,817 |
| Bond interest | 149,320 | 149,855 |
| Tax provision | 18,078 | 8,200 |
| Net income | 186,077 | 160,968 |
| Less: A divds. | 79,094 | 79,402 |
| B divds. | 71,937 | 59,948 |
| Prior year tax | 9,992 | 1,665 |
| Surplus | 25,054 | 19,953 |
| Previous surplus | 363,889 | 343,936 |
| Surplus forward | 409,633 | 363,889 |
| Earned per share A | $3.54 | $3.04 |
| Earned per share B | 0.45 | 0.34 |
| **Balance Sheet Changes** | | |
| Investments | $7,902,044 | $7,866,464 |
| (Market value) | 8,132,442 | 7,443,868 |
| Own bonds held | 430,090 | 514,010 |
| Cash | 59,360 | 135,589 |
| Bonded debt | 3,498,000 | 3,598,900 |

### Simpsons Ltd.

Simpsons Ltd. and subsidiaries showed a net profit of $1,041,139 in the year ended Jan. 6, 1943, compared to $1,027,242 in the previous period. Per preferred share profit was $9.21 as against $9.12, and $2.58 as against $2.46 per share of class A stock.

During the year the company acquired by purchase and redemption the balance of the 6% cumulative preference shares of the Robert Simpson Co. The latter firm is now a wholly-owned subsidiary of Simpsons. For this purpose $182,900 of the company's 4¼% series "A" bonds were issued. Public investment in the company is now entirely represented by outstanding securities of Simpsons Ltd. On Dec. 1, 1942, $350,000 3½% serial bonds of the company matured and were paid off, reducing total funded debt to $13.4 millions.

Inventories declined more than $1 million during the year. Accounts receivable at the end of the latest period were $5,532,216, as compared with $7,035,909. Cash was at $1,244,544, as against $142,350 previously, and Dominion bonds held total over $2 millions compared with $9,200. Taxes, in the annual report of President C. L. Burton, were shown $1,851,700 higher, at $3,079,700, of which $268,875 is refundable.

Consol. Income, Surplus—Years Ended

| | Jan. 6<br>1943<br>$ | Jan. 7<br>1942<br>$ |
|---|---|---|
| Operating profit | 6,285,102 | 4,297,793 |
| Add: Invest. income | 23,267 | 1,206 |
| Net earnings | 6,308,369 | 4,298,999 |
| Less: Dvds. R. Simpson | | |
| Preferred | 9,224 | 11,103 |
| Directors' fees | 11,230 | 11,583 |
| Employees' svgs. | 38,353 | 37,956 |
| Pensions | 75,000 | 47,000 |
| Financing exp. w/o | 174,978 | 176,578 |
| Depreciation | 911,742 | 993,325 |
| Invest. depr. prov. | 400,000 | 200,000 |
| Bond interest | 567,003 | 566,162 |
| Inc. & E.P. taxes | *3,079,700 | 1,228,000 |
| Net profit | 1,041,138 | 1,027,242 |
| Less: Pref. divids. | 731,250 | 731,250 |
| Surplus for year | 309,888 | 295,992 |
| Add: Prev. surplus | 2,513,194 | 2,217,202 |
| Refund part. E.P.T. | 268,875 | ...... |
| Surplus forward | 3,091,957 | 2,513,194 |

*Including refundable portion of E.P. tax $268,875.

| | 1943 | 1942 |
|---|---|---|
| Earned per share: | | |
| Preferred | $9.25 | $9.12 |
| Paid | 6.50 | 6.50 |
| Class A | 2.58 | 2.46 |
| Paid | nil | nil |
| **Working Capital** | $ | $ |
| Current assets | 20,308,604 | 19,665,332 |
| Current liabilities | 9,084,352 | 9,770,134 |
| Working capital | 11,224,252 | 9,895,198 |
| **Balance Sheet Changes** | | |
| Cash | $1,244,544 | $142,350 |
| Investments | 2,003,575 | 9,200 |
| Accounts rec. | 5,532,216 | 7,035,909 |
| Inventories | 10,983,619 | 12,047,422 |
| Bank loans | ...... | 2,370,987 |
| Capital assets | 28,643,120 | 28,277,530 |
| Depreciation res. | 9,241,263 | 8,332,099 |

## *The* Shareholder

**Imperial Tobacco's** special by-law giving directors authority to issue debentures or other securities is expected to be followed by a debenture issue of $5 or $10 millions, probably before the end of this month.

This will mark first public financing for this company since $6.5 millions of 7½% debentures were sold in 1921, although shares have been issued in exchange for subsidiary company shares and as bonus to shareholders. The 1921 issue was all converted into common stock or redeemed by 1927. This time the financing is understood to be required to accommodate the unusually heavy inventories, shown at $20.3 millions at the year end, up $6.3 millions during the year, to finance a gain of $3.7 millions in investment in subsidiaries, a $900,000 increase in plant, machinery, etc. These transactions reduced the company's cash and government bonds from $4.6 millions to under $500,000 and resulted in a bank loan of $3.7 millions.

* * *

**Venezuelan Congress** has a bill pending which provides for an increase in royalties payable on crude oil produced in Venezuela. The proposed schedules would make these royalties 16-2/3% of the value of the crude oil instead of from 7 to 10%. Higher taxes on undeveloped acreage held for exploration would also be provided, as well as increased duties on imported equipment and materials. The bill is not yet law and will probably not become so for several weeks.

International Petroleum has an interest in this situation through its share in the production of Mene Grande Oil Co., in Venezuela.

The proposed legislation would admittedly leave a considerably heavier burden on the companies operating in Venezuela, made more serious by the large proportion of materials and supplies which must be imported. So long as the new bill provides a tax burden which is stable—even if higher—it is considered likely that the producing companies could adjust their operations and would have no great reason to fear the outcome.

## Plan to Adjust Portage Arrears

A reorganization plan providing that 75% of arrears of interest to Dec. 31, 1942, be paid in cash on City of Portage la Prairie debentures defaulted June 1, 1939, is put forward by the Portage la Prairie Debenture Holders Committee.

Under the plan new 30-year 4½% debentures dated Jan. 1, 1943, will be issued in exchange for those now outstanding. In respect of present debentures unmatured on Dec. 31, 1942, a cash premium representing the present value of the interest in excess of 4½%, calculated semi-annually for the unexpired term of such present debentures, will be paid.

**F. O'Hearn & Co.,** Canadian stock brokerage firm, is to be known as T. A. Richardson & Co., after March 1. No change in general setup of the organization is planned and the partners remain as before, including: T. A. Richardson, A. Gardner, H. C. Shields, G. A. Richardson and V. J. McLellan, Toronto, and P. H. Douglas, Hamilton. The firm's head office is at Toronto and it operates branches at Hamilton, Timmins and Kirkland Lake. It holds memberships on the Toronto Stock Exchange, the Montreal Curb Market and the Winnipeg Grain Exchange.

## *The* Bondholder

**Ontario's treasurer,** ex-Premier Hepburn, precipitated considerable discussion this week over the possible effect of Dominion regulations on provincial finances. He stated that liquor restrictions mean an expected loss of revenue for Ontario of $7.1 millions in the fiscal year ending March 31, 1944, while the loss in motor vehicle revenue would amount to an estimated $5 millions, or a total of better than $12 millions in the next fiscal year. He intimated that this loss would force the province to curtail its services and that it seriously impaired Ontario's financial structure.

* * *

**Whether the province** will actually suffer such losses as Mr. Hepburn has estimated has been questioned in some quarters. In 1942 Ontario had liquor revenues of $13.6 millions, and for the current year budgeted for $10.5 millions from this source or the same figure as actually received in 1941. His estimate of a loss of $7.1 millions in revenue would represent a drop of around 70%.

Loss in motor vehicle revenue was estimated at around $5 millions. For the fiscal year now just ending, Mr. Hepburn, a year ago, estimated revenue from this source at $5 millions as compared with 1942's $9.9 millions and 1941's $9 millions. A further loss of $5 millions appears to be predicated on a total wiping out of this item.

* * *

**Total revenues** of Ontario in the year ended March 31, 1942, were $120.9 millions as compared with 1941's $114 millions and 1940's $98 millions. Estimated revenue for the current fiscal year was $105 millions. Overall surplus in 1942 was $13.3 millions.

* * *

**For Canadian provinces** as a whole it should be noted that 1937 revenues totalled $244.6 millions, this figure climbing to $322.6 millions in 1941. At the same time provincial liquor revenues jumped from $29.7 millions to $41.5 millions.

* * *

**National Grocers** provides a noteworthy wartime example of reducing funded debt. The company will redeem on April 1 its outstanding $500,000 of 4% first mortgage serial bonds at 102½ plus accrued interest. The company has cash available that normally would be put into inventory. However, materials are not available at the present time to replenish inventory to that extent and there is no immediate prospect that the situation will change. Thus, instead of merely holding the cash in lieu of inventory, the company is using it to wipe out its funded debt.

**BANK DIRECTOR**

*Gordon C. Leitch of Toronto, who has been elected to the board of the Bank of Montreal. Mr. Leitch is associated with a number of Canadian grain and transportation companies.*

**Consolidated Sand & Gravel,** subsidiary of Standard Paving & Materials, has declared a $4 a share dividend on its preferred, payable March 30 to shareholders of record Feb. 27. Arrears, after allowing for this payment, will amount to $45.25 a share. Another 120 preferred shares have been redeemed by the company, reducing outstanding preferred to 6,350 shares.

CANADIAN
GOVERNMENT BONDS

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LIMITED
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BLUE CHIPS
Nothing but the best is good enough for your portfolio. Ask us for information on this type of security.
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Announcing
CHANGE OF FIRM NAME
On and after March First 1943, the brokerage business presently conducted under the name of
F. O'HEARN & CO.
will be carried on under the firm name of
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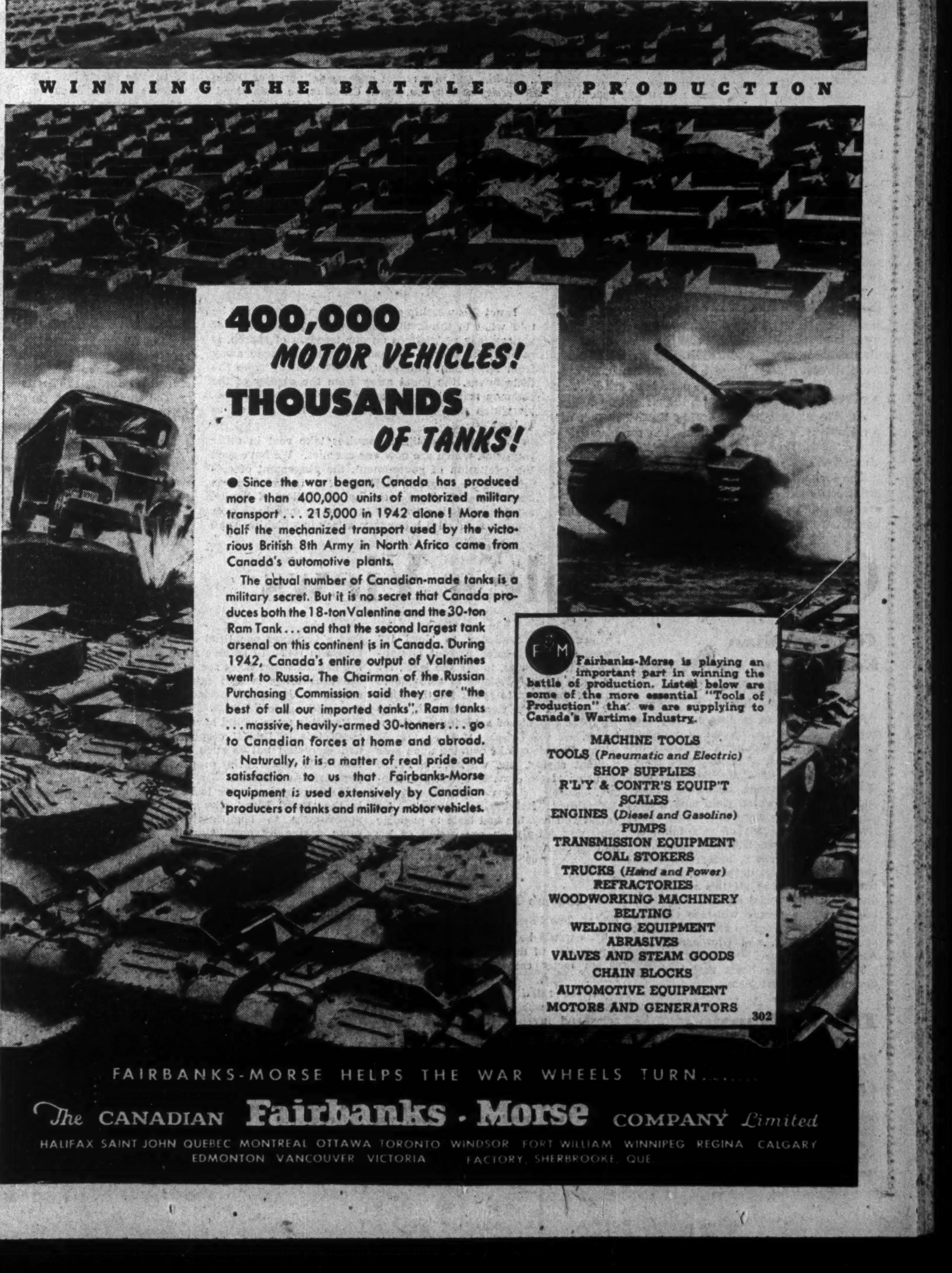

WINNING THE BATTLE OF PRODUCTION

400,000 MOTOR VEHICLES!
THOUSANDS OF TANKS!

● Since the war began, Canada has produced more than 400,000 units of motorized military transport . . . 215,000 in 1942 alone! More than half the mechanized transport used by the victorious British 8th Army in North Africa came from Canada's automotive plants.

The actual number of Canadian-made tanks is a military secret. But it is no secret that Canada produces both the 18-ton Valentine and the 30-ton Ram Tank . . . and that the second largest tank arsenal on this continent is in Canada. During 1942, Canada's entire output of Valentines went to Russia. The Chairman of the Russian Purchasing Commission said they are "the best of all our imported tanks". Ram tanks . . . massive, heavily-armed 30-tonners . . . go to Canadian forces at home and abroad.

Naturally, it is a matter of real pride and satisfaction to us that Fairbanks-Morse equipment is used extensively by Canadian producers of tanks and military motor vehicles.

Fairbanks-Morse is playing an important part in winning the battle of production. Listed below are some of the more essential "Tools of Production" that we are supplying to Canada's Wartime Industry.

MACHINE TOOLS
TOOLS (Pneumatic and Electric)
SHOP SUPPLIES
R'L'Y & CONTR'S EQUIP'T
SCALES
ENGINES (Diesel and Gasoline)
PUMPS
TRANSMISSION EQUIPMENT
COAL STOKERS
TRUCKS (Hand and Power)
REFRACTORIES
WOODWORKING MACHINERY
BELTING
WELDING EQUIPMENT
ABRASIVES
VALVES AND STEAM GOODS
CHAIN BLOCKS
AUTOMOTIVE EQUIPMENT
MOTORS AND GENERATORS
302

FAIRBANKS-MORSE HELPS THE WAR WHEELS TURN.......
The CANADIAN Fairbanks-Morse COMPANY Limited
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# The Editorial Page . .

### Timely Warning

Canadians generally will applaud Prime Minister King's warning to Mr. Cardin and his isolationist-minded followers that the government will tolerate no easing of military draft laws. As the Prime Minister rightly pointed out the passing of the Cardin motion to suspend the military draft pending a manpower investigation, would blacken Canada's name among our allies. Correctly, they would interpret such a move as one designed to delay our war effort.

Mr. King has been patient, most Canadians believe much too patient, with this dangerous and unashamed isolationist movement which Mr. Cardin apparently would like to lead. Isolationism never had any sound foundation even in the old days, before the airplane and submarine brought the menace of actual war to our very shores. Today it would simply be courting national suicide even to consider such a policy. Its development might easily lead to civil war at a time when all our energies are needed to fight a deadly foreign foe.

Mr. King did well to remind his listeners in and out of parliament of the deadly parallel between postwar France and the recent attempts to stir up highly discordant political parties in certain sections of Canada. Such a policy led directly to France's tragic and sudden downfall, he warned Mr. Cardin. Such will certainly prove a boomerang to any minority sponsoring them if even more serious consequences are avoided.

### Suicidal Criticism

Hearing some "little Canadians," discuss the recent American reverses in Tunisia, a neutral might have come to the conclusion that the United States was numbered among our enemies and not an ally. People who indulge in this sort of thing often fail to realize that we are all in this war together and that when a Russian, a Chinese, American or British army suffers a reverse, the results are exactly the same as if McNaughton and his Canadians had suffered a serious set-back. In all cases the war is lengthened and part of the job will have to be done all over again. A loss for one is a loss for all, because in this total war all our resources of fighting men and fighting equipment are in a common pool.

Our most vulnerable point is the perfectly natural differences between the various nations which make up this crusade. Few of the United Nations speak the same language, and many have different ideas in regard to politics and religion. It is on these natural differences that Goebbels and his propagandists have concentrated their attacks of poison, in the hope of creating bad feeling between any of us and especially members of the big three—Great Britain, Russia and United States.

When we make or pass along dangerous and usually unfounded criticism of any of our allies we are playing straight into Hitler's hands. In fact we are doing a job better than his highly paid agents can ever hope to do.

### Hitler Will Not Like This

**Hitler will not like this story. It more genuinely represents the true feelings of the average American than all the half truths and absolute lies his agents have been spreading of friction between those peoples who make up the United Nations allied against him.**

Coming out of a New York restaurant recently, an American business man and his wife noticed a pair of airmen looking very much at loose ends.

Could anything be done for them? The lads eagerly replied they would like to see the town.

The visitors belonged to the R.A.F. They had been over Germany bombing the previous night. As they had landed their bomber, a plane was just ready to take off for New York. Two brass hats had made last minute cancellations.

"Want a ride?" The two British airmen did, snatched three-day leaves owing to them and swung aboard.

The New York couple spent the day showing off their town. The fliers saw tall buildings, subways; they were dined, wined and night clubbed. They were loaded up with foods and luxuries no longer obtainable in England, including all the white meat from three turkeys, several Virginia hams, 20 cartons of cigarettes and several pounds of candy. The Americans spent some $90 on their fighting Allies.

At five o'clock next morning the boys took off for England, cabled their hosts the same evening that they were ready for another run over Germany.

The intimate bonds between citizens of the two great countries of the English-speaking world now made possible by the airplane promise incalculable benefits for the whole world.

### The Financial Post's Platform for War

1. *All manpower and resources, efficiently used, wherever needed, to win the war.*
2. *A national war cabinet of Canada's best, chosen not on party lines.*
3. *A non-political industrial executive to organize and direct procurement of war supply.*
4. *Pay-as-we-go policy, to the utmost possible limit to avert inflation.*
5. *Elimination of wasteful spending by public bodies or private individuals.*
6. *Planning NOW for postwar, by government and business, to ensure full employment and improving social standards through individual, competitive enterprise.*

### Shaming Mr. Aberhart

It is a notable feature of the Alberta financial situation that many individuals and groups within the province, are showing by their actions how directly they differ with the Aberhart theorists. While the provincial administration continues to dodge its debts—debts incidentally which it is fully able to service—many Albertans are going ahead and paying their obligations; a procedure that must seem outrageously old-fashioned to the Social Crediters.

One example is provided by the inroads that Edmonton and Calgary are making in their debt positions. Both of these municipalities reorganized their financial setups some five years ago and since have been steadily reducing their debt. In 1942, Edmonton redeemed $693,700 of its bonds, while Calgary cancelled $472,000 of its bonds. During the past five years Edmonton has redeemed over $3.2 millions and Calgary over $2.4 millions of their respective funded debts.

Reflecting improvement in the underlying financial position of both these Albertan cities is the fact that their bonds are currently quoted at close to par, an appreciation of some $130 per $1,000 bond over the five-year period.

Edmonton and Calgary today are reaping the benefits of holding to a policy of financial honesty rather than wasting their substance by following a mirage projected by monetary dreamers.

### Working Together

An outstanding job of public relations has been done by the Bell Telephone Co. of Canada. The reason is not difficult to find. From the president down to the office boy, and particularly those workers who come in contact with the public, every employee has been imbued with the idea that his job is to serve the public. The success which the company has achieved along these lines has not "just happened." It has been the result of long study, of careful planning, and of training the employee to the point where he or she automatically thinks in terms of service.

Working together is the keynote in the Bell Telephone Co. of Canada's successful public relations programme. The idea that each and every employee is part of a team is set out in a new handbook of information which has been distributed to "employees, their families and friends." Liberally illustrated with photographs and sketches, the booklet provides in a warm, friendly way, a general presentation of the company's organization, service objectives and personnel relations policy. Throughout it all is the theme that by working together, the employees of the Bell Telephone Co. of Canada not only help themselves, but develop a spirit of service which cements the good relations existing between the company and the public it serves.

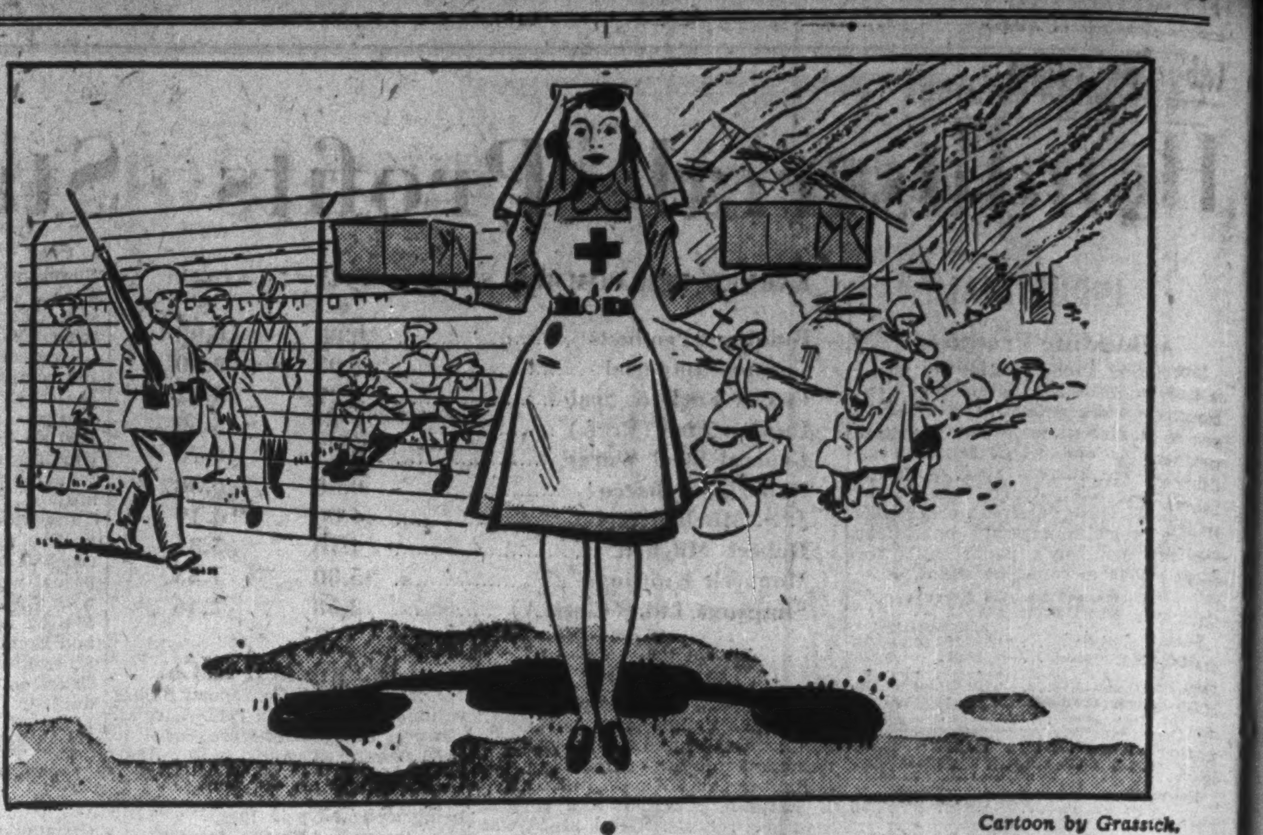
### Wasting Our Precious Manpower

In an all-out war such as the Nazis are waging and such as the United Nations must wage if they are to win, every able-bodied citizen is put in the most urgent job to which he or she is best suited. Obviously the responsibility for choosing that job cannot be left to the individual because that person has no means of knowing which job is the most important nor, perhaps which he is best suited to fill. It may be in a munitions factory, it may be on a farm producing food, it may be in the front line. Only the authorities have the knowledge necessary for making the proper decision.

As Collier's magazine stated editorially last week:

> "Leave the choice to the man himself, and courage or shame will in most cases impel him to put in his bid for service in Guadalcanal or North Africa or on some other flaming front, though he might contribute ten or one thousand times as much to the winning of the war by using his talents on the Detroit front, the Seattle front, or the Hollywood front."

The same observation, with the substitution of different place names only, well applies to Canada. Here we have relied almost entirely on voluntary enlistment for building up our armed forces and we are beginning to pay for that shortsighted, and on the part of the authorities, non-courageous policy. We are short of key workers in our war factories, we are desperately short of labor on our food producing farms and in allied industries. The world may soon witness the fantastic spectacle of an agricultural country actually facing a shortage of food. Only through an all-out, fully coordinated manpower policy, with the Dominion Government accepting full responsibility, will we be able to mobilize our maximum resources for war.



THE RED CROSS NEEDS $10 MILLIONS

*Cartoon by Grassick.*

# The Postwar World . . .

***In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.***

### "Education Determines Civilization"

***"Education determines civilization," argues Wendell L. Willkie, and in a recent address delivered at Duke University at Durham, North Carolina, he maintained that the endurance of the peace to follow this war would largely depend upon how much liberal education was available to the peoples of this world. Mr. Willkie stressed the fact that he was speaking of a liberal education, not special training to do particular jobs but of "education for its own sake, to know the sheer joy of understanding, to speculate, to analyze, to compare and to imagine."***

***The Republican presidential candidate for 1940 emphasized that this sort of education was not the kind emphasized by Nazi universities and which had shown a disturbing tendency to spread to this continent. Stated Mr. Willkie:***

• • •

Is not this worship of leaders, this willingness to be told what to think, this unquestioning acceptance of unnecessary restrictions on our freedom of speech, is not all this part of the same trend—the trend away from self-reliant judgment, the trend away from the little towns, the trend away from the dignity of the common man, the trend away from liberal education, by which men achieve equality in fact as well as in law?

We have seen these impulses take root in other countries, which are now our enemies. We have seen the exaltation of government, the abasement of culture, and the resulting violation of all that civilization cherishes. We have seen the devolution of human aspiration. It is a tragedy as great as men have ever witnessed. And it is our task, a task in which we shall be engaged for the rest of our lives, first to stop it, and then to repair it.

There is much discussion now—and quite properly—of the matter of war aims. Yet I have listened to some of these speeches with misgiving. I have shuddered to hear a member of our government planning, when the war is over, to police the education of our late enemies, after the traditional manner of conquerors. To disarm those enemies, yes. To take whatever measures are necessary to prevent rearming, yes. To remove from the necks of the people an enslaving totalitarian rule, certainly.

But having done that, education is another matter. It must grow out of and carry on a native culture. To determine the nature and manner of their own education is the right of men everywhere. And alien ideals superimposed by force will only produce resentment and hatred.

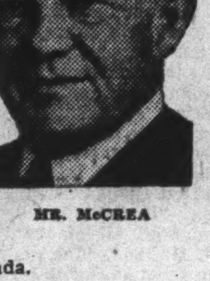
Too many of the planners, I feel, are trying to look ahead by looking backward. Too many are seeking the future in the past. I find in many of their speeches an attempt to solve everything by their pet economic theories—the same attempt that has nearly ruined us during the last ten or fifteen years.

The study and practice of sound economics cannot define the aim of the peace, nor the aim of the war. To discover that aim we must go deeper. We must establish beyond any doubt the equality of men. And we shall find this equality, not in the different talents which we severally possess, nor in the different incomes which we severally earn, but in the great franchise of the mind, the universal franchise, which is bounded neither by color, nor by creed, nor by social status. Open the books, if you wish to be free.

# Post-Scripts . . . .

### Mining Booster

When Honorable Charles McCrea, K.C., was presented to the Chancellor of the University of Toronto to receive the honorary degree of Doctor of Laws it was, to quote from the presentation speech as, "a true friend and trustee of the Royal Ontario Museum, promoter of the mineral development of the North and benefactor of this University." The presentation speech could well be given in its entirety to show that Mr. McCrea is a public servant and that he had done much for Ontario and for Canada.



MR. McCREA

His name is always associated with the mining industry. In 1923, after twelve years in the Ontario Parliament, he became Minister of Mines and held office until the fall of the Henry Government in 1934. It is generally recognized that during this period the foundations of our mining industry were firmly laid and that a good deal of the credit belongs to McCrea for his public spirit and his far-seeing administration. He strove to make the vast potentialities of our mineral wealth known both in Canada and internationally. In 1924 he went to London for the Ontario Government and carried the story to the heart of Empire with excellent results. For such services mining men hold Mr. McCrea in special regard.

He is still a leader in the mining industry. At the moment he is greatly interested in the development of the Steep Rock Iron deposits consisting of large ore bodies of exceptionally high grade hematite. He predicts that when this mine gets into operation it will help to give Canada an independence in the iron and steel world.

While Minister of Mines he extended a generous helping hand to the Faculty of Applied Science and Engineering, which badly needed enlarged accommodation and new equipment, and through him the Ontario Government also provided an enlarged mining building. Better trained mining engineers and a new impetus to mining research were to be the fruit of this investment. That is to say it was good business. But McCrea thinks of it in human terms; of which opportunities to Canadian boys to complete their education and to learn at the same time how to handle the resources of their country.

By profession Charles McCrea is a lawyer. He graduated from Osgoode Hall and was called to the Ontario Bar in 1901. He is a Life Bencher of the Law Society of Upper Canada. He began the practice of law in Sudbury and this is where his connection with the Northland began. Now that he has retired from public office he practices law in Toronto and sits on the Boards of several companies. He is Chairman of the Board of the Mining Corp. of Canada, President of Negus Mines, Director of Hayes Steel Products, Vice-President of Steep Rock Iron Mines and a Director of the Imperial Life Assurance Co. His latest honor has been his election to the Presidency of the Toronto General Trusts Corporation of which he has been a Director since 1931 and Vice-President since 1935.

Charles McCrea is of Irish-Scotch origin and was born in Springtown, Renfrew County in 1877. He graduated from Renfrew High School and then went to Osgoode Hall. A Roman Catholic; a Progressive Conservative; he is married and has three daughters. He enjoys golf and curling and is the donor of the McCrea Trophy competed for annually at the Seignory Club by curlers from Canada and the United States.

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### "Industrial Court"

Wages and working conditions in Canadian war industry are now to get a different type of handling under the revised National War Labor Board. Membership has been completely re-constituted with three members instead of 12 and a group of advisors made up from the membership of the old board. The new setup becomes a kind of "industrial court" as Premier King pointed out in announcing the changes. It is to be made up of three men only, all with legal training and headed by a chairman who has occupied a leading place in the Canadian judiciary.

JUSTICE McTAGUE

That man is Mr. Justice Charles P. McTague.

Justice McTague is a lawyer, born in Guelph in 1890, educated in the Guelph Separate School and Collegiate Institute, the Faculty of Education and University of Toronto and Osgoode Hall. Prior to service overseas with the Canadian Field Artillery from 1915 to 1919, he taught at Assumption College, Windsor, and at St. Michael's College, Toronto. He was called to the Ontario Bar in 1920 and the next year opened his own law office in Windsor where he became senior partner in the firm of McTague, Clark, Springsteen, Racine & Spencer. He was appointed a justice of the high court of Ontario in 1935 and in 1938 appointed to the appellate court. Since 1940 he has also been serving as chairman of the War Contracts Depreciation Board, set up to handle accelerated depreciation claims of war contracts following establishment of excess profits taxation in Canada.

It is Justice McTague's idea that public opinion can do a lot to bring improved labor relations. He suggests, for example, that, had the long drawn arguments over wages in the steel industry been made public, a solution could have been reached without the disastrous recourse to a strike as actually happened. He wants, moreover, to establish a kind of jurisprudence on labor matters which will mean a consistent policy and one that will not conflict with the law as parliament defines it from time to time.

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### Lucky Date

Do bankers have lucky numbers?

After looking over the record of F. Hedley Marsh, president of the Bank of Toronto, one might agree that they have. In his case the significant number is a date—Feb. 20.

Fifty years ago, on Feb. 20, 1893, Hedley Marsh began his banking career as a clerk in the Imperial Bank at Ingersoll, Ont. After he had started, he thought he didn't like it. There was none of the old freedom he had enjoyed on the farm. But no matter what type of career he thought about he came right back to the question of freedom. He found that in every walk of life a man must serve. So, with that in mind he applied himself thoroughly to giving banking service.

The result came 15 years later—on Feb. 20, 1908—when, after he had gained banking experience in Sault Ste. Marie, Rat Portage (now Kenora, Ont.), Winnipeg, Golden and Cranbrook, B.C., and Cobalt, he received his first major appointment as manager, at Sault Ste. Marie. In this position, incidentally, he succeeded George Wilson, recently retired as Finance Commissioner for Toronto.

Marsh's work at the Sault interested the Sterling Bank, to which he went as manager of the Toronto office. Then, on February 20, 1910, Sterling moved him to Montreal, which led to his appointment as Superintendent of Branches. Invited to change banks for the second time in 1921, he went to the Bank of Toronto as Western Superintendent.

Yet another February 20 is important in the Marsh record. It came in 1933 and was really lucky, for on that day he was married.

The only event which cast a shadow over February 20 for Mr. Marsh was the death of his mother, which occurred on that date some years ago.

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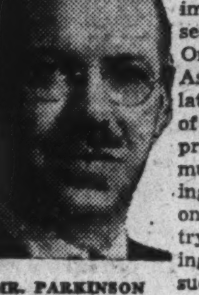
### Luck Plus Ability

Luck plays a traditionally important part in mining and it is this luck—plus real ability—which has elevated Norman F. Parkinson, secretary-treasurer of Falconbridge Nickel Mines, and president of a number of Ventures subsidiaries, to the important job of secretary of the Ontario Mining Association. The latter organization of mining enterprises has done much in correlating data relating on mining industry and in assisting government in such matters as tax policy, mine safety regulations, workmen's compensation, etc.



MR. PARKINSON

*—Freeland Studio.*

When Norm Parkinson, a graduate of the University of Toronto in science, returned from overseas in the last war, he played an important part in veteran re-establishment and was with the Department of Soldiers Civil Re-establishment until late in 1927. But the amalgamation of that department with National Health placed him, like many others before him, among the ranks of the job hunters. Arriving in Toronto, he "landed" a job with the Ventures interests working on the big job of freighting in supplies to Sherritt-Gordon Mines which was just getting under way at that time. The ability which had carried him up to the rank of deputy minister at Ottawa, in the next 14 years with Ventures brought him three presidencies, a vice-presidency and the secretaryship of two other companies. Outside of business hours, he interested himself in his alma mater's affairs, is a member of the U. of T. senate and a past president of the U. of T. Alumni federation.

To many people this would have spelled complete success. But to Parkinson other fields still beckoned. When Metals Controller George C. Bateman relinquished his peacetime post as secretary of the Ontario Mining Association, the opportunity presented itself to Parkinson to apply his energies in a much broader field. So after careful consideration he is resigning his presidencies and directorates. In his new post, he is following a man who has been noted for his ability and good judgment, but Norm Parkinson's friends are willing to bet that he will "fill the bill" in what for him is an associated but untried field.

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"We must disarm Japan on the sea after the war. To keep her disarmed for a long time afterwards, we must have the bases from which to operate."—*U. S. Navy Secretary, Frank Knox.*

• • •

Much of what Mr. Wallace (U. S. Vice-President) calls his global thinking is, no matter how you slice it, still globaloney."—*Clare Boothe Luce, Republican member of U. S. House of Representatives from Connecticut.*

# Other People's Views . . . .

### The Canadian Editorial of the Week

#### Why Be Afraid?

Ottawa Journal

Not much reason in this country for any able-bodied person going without food or shelter. We have hundreds of thousands of acres of uncultivated land. We have thousands of abandoned farms. We have vast forests, and rich mines, and great plains which yield wheat, and mighty water power, and lakes and rivers and seas. All of this fabulous riches for less than 12,000,000 people.

Yet in this country, today, what are we discussing? Not developing and distributing and using all this wealth for our good; but "social security." We are talking like a people who are old and tired, who have used up all the resources of their country, and who are afraid. Afraid of the future.

That is not the heart that built up Canada in the first place.

• • •

### The Mail-box . .

#### The Roosevelt Speech

Editor, The Financial Post:

On your front page, Feb. 20, you have a heading, "Mr. Roosevelt Should Clarify, Not Confuse." It would have been better had you given it, "Mr. Churchill Should Discriminate, Not Generalize."

Mr. Churchill is usually discreet, and sometimes even tactful, but the veneer sometimes wears thin, and the English arrogance and tendency to "lord it," shows through. Under present circumstances it is unwise, to say the least, for a British Prime Minister to arrogate to himself the right to speak for the other members of the Commonwealth, who are quite capable of speaking for themselves.

That Canada can be counted upon goes without saying, but we have a Prime Minister of our own to speak for Canada.

President Roosevelt's remark, for which you had the bad taste to penalize him, was simply an expression of his natural courtesy to an ally.

J. CARMICHAEL.

• • •

#### Income Tax Correction

Editor, The Financial Post:

This would be a good time to correct a provision of the Income Tax Act that is, in many cases, definitely burdensome.

In the retail business, and others, January is usually the month of lowest sales and inventories, and the end of that month comes as near to the end of an accountant's "natural business year" as could be desired.

The Act requires that profits be reported in the calendar year in which the fiscal year ends. A sole proprietor whose year ended Jan. 31, 1942, was thereby compelled to pay the new high rates of 1942 on 11 months' earnings of 1941.

An income tax official has pointed out that a taxpayer penalized as aforementioned in 1942 will receive a corresponding benefit when taxes are reduced. But the probability is that this will occur during a depressed period and little gain will ensue.

Probably more would have been heard about this in 1942 if corporation taxes had increased but as such was not the case only some sole proprietors and partnerships suffered.

If sole proprietors are to be passed up in the "Ruml Plan" why not take the opportunity to compensate them to some degree by permitting the apportioning of profits between the calendar years? The government would then stand to gain when tax rates fell.

It is permissible to apportion excess profits taxes between the calendar years so why not income tax?

SOLE PROPRIETOR.

• • •

### As Others See Us . . .

#### Ottawa's Wrong Food Policy

Durham Chronicle

For some time The Financial Post has been analyzing the food situation, and has pretty nearly convinced those who could be convinced that all is not well.

The Post says that if we are to assure even a moderate food supply to Britain and ourselves skilled labor must be diverted back to the farms at once. It takes labor, and lots of it, to grow the things we eat, and lots of it, every day in the year. Sitting around and talking about the farm situation until seeding time next spring is not going to help anybody, either ourselves or the farmer.

We do not want to appear pessimistic, but we believe the Post might as well forget all about it. Our Ottawa Government has its mind set on the way it is going to go, and we don't believe anything will turn it. They evidently would rather stay wrong than admit they have been wrong all the time, especially in the manner in which they have treated agriculture, and expect increased production.

• • •

#### Surplus Tax Forms

Toronto Globe and Mail

We agree with the Financial Post that income tax forms are too complicated and ought to be simplified. They have been getting more complicated yearly as the tax collectors become more expert in detecting possible loopholes for escape from meeting obligations. What the revenue collectors fail to recognize is that taxpayers are elementary mathematicians or less, and not experts

We suggest the expert form-drafters call in a non-expert taxpayer of ordinary intelligence, tell him what information is desired, and ask him to draw up a form.

• • •

#### Tribute to Opposition

Edmonton Journal

The cartoonist of The Financial Post shows Mr. King in bed alongside Mr. Bracken and pulling covers off him which are labelled, "Social Security Plan," "Increased Pay for Soldiers and Dependents" and "Ruml Tax Plan." The prime minister is saying: "Any more good ideas, John?"

It is worth while recalling what Mr. King's Cabinet colleague of long standing, Mr. Cardin, told the House of Commons last summer:

"Every step," the former minister declared on July 23 in the debate on the third reading of the bill, "that has been made up to the present in the prosecution of the war has been made as a result of the threat of a motion or amendment being moved by the opposition."

When the opposition, despite its numerical weakness in parliament, was able to exert such an influence on governmental policy while Mr. Cardin was a member of the Cabinet, Mr. King's appropriation of Mr. Bracken's covers is not surprising.

• • •

### Stop Me If . . .

The manager of a business firm who was a widower had noticed that his son seemed rather interested in his pretty secretary.

The young man had only recently entered the firm, and the boy's father did not care for the prospect of an early engagement. He determined to speak to the young girl, who entered his office and announced that the son had proposed and that she had accepted him.

"Well, I think you might have seen me first," said the parent, rather tersely.

"I did," she replied, "but I preferred your son."

## The Financial Post

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**Labor Relations**

# Hamilton — Target for C.I.O.

## C. C. L. Blasts at Other Unions in Key City

By ROBERT C. STARK

Indicative of the labor unrest that is stirring war-important Hamilton industries was Sunday's all-day session of shop stewards and executive members of the Hamilton Labor Council, Canadian Congress of Labor. The 200 delegates who attended the gathering heard bitter castigations of company unions and forceful demands for compulsory collective bargaining legislation in Ontario.

Such a bill for Ontario has been drafted but its contents have not been yet made public. A committee of House members is to hear evidence submissions about the bill from interested parties before its introduction.

The Hamilton unionists made it clear on Sunday that they would fight incorporation of the principle of company union recognition should it be included in the proposed bill. At the meeting, Hamilton's labor controller, Sam Lawrence expressed it:

"Company unions won't cost you a cent, but they won't get you a cent."

Others maintain that a worker should be free to join any union of his choice, and that in any bargaining, the rights of minority workers should be recognized.

While the touch-off to the Hamilton labor meeting was controversy over the pending collective bargaining legislation, underlying it is a long-simmering situation that union leaders have been trying to bring to a boil.

C.I.O. organizers are holding three and four meetings in a day. Harry Hunter, Hamilton alderman and organizer for the C.I.O. affiliate, United Electrical, Radio and Machine Workers of America, shouted to the Sunday gathering: "The industrial crisis is becoming acute in Hamilton."

One of the latest moves on the labor front has been pressure for wage increases for off-shift workers. Applications have been made to regional boards for an additional five cents an hour for those who work the off-shifts—such as four to midnight and midnight to eight. Such applications have been refused so far, reportedly on the ground that granting such increases would circumvent the wage ceiling and would precipitate a flood of similar applications throughout industry. It is authoritatively estimated that such a move in Ontario alone would cost at least $25 millions annually.

Hamilton today is one of the hottest spots on the C.I.O. map. Small doubt exists that the increasingly intensive drive of the past 18 months has been making progress. All C.I.O. officers will report is that Hamilton membership has increased "many fold" since war's outbreak.

### Technique Varies

Technique of the C.I.O. drives against individual Hamilton plants has been varied. Loudspeakers have been used outside plants during lunch hours, literature has been passed out at the gates, some members have brought in circulars for distribution within the plant. Such literature is usually violent, tells the workers that they are being exploited for starvation wages. Typical example is the C.I.O. publication "Alert":

> "In the midst of a cataclysmic war, dedicated not only to the defeat of the enemy, but also the establishment of fundamental human rights, the big business group in Canada supported, in many of the larger cities, by a slavish and doting press and unhindered by an inept government, has come out solidly and unmistakably for profit and power over and above the welfare of mankind, the security of the family, and the freedom of the individual.
>
> "This set of unrepentant capitalists, their pecksniffian souls narrowed to the point of extreme bigotry, is not ashamed to put up a sham front of better worldism to entice the populace and lure the gullible."

### Get Newer Employees

In some cases the C.I.O. has aimed its drive at newer plant employees. Activities in the Otis-Fensom plant, for instance, have been concentrated in the ordnance division which is a wartime adjunct to the company's operation and in which only 10% of the workers are skilled. The C.I.O. people themselves admit that their strength in the Otis-Fensom ordnance division is much greater than in the elevator plant where 40% of the workers are skilled. Generally speaking, those plants which have on their payroll a fairly large percentage of longtime employees have had the least outside union organizational activity.

### Stelco Target

Biggest target of all for C.I.O. organization in Hamilton is Steel Co. of Canada. The union claims to have a definite majority of the 4,900 or so Stelco workers, that three months ago they could not be sure of that claim but now they are. The company claims that C.I.O. members represent only a small minority of their workers.

Interesting sidelight to the Stelco situation is the fact that the company has a Works Council of 22 members, 11 elected by the workers, 11 appointed by management. During last November's elections, the C.I.O. actively campaigned in eight departments and all eight of its candidates were elected. Later when the question of collective bargaining came up for the Works Council's consideration all 11 of the elected members said that the company should deal with the United Steel Workers of America. The 11 management appointees took the opposite viewpoint. The Stelco C.I.O. members have asked for a Board of Conciliation. Their request has been acknowledged but no further action taken so far.

### Hamilton Bridge

At Hamilton Bridge, the C.I.O. applied for a Board of Conciliation which is now being set up. The bone of contention here is union recognition. The company position is that it is prepared to meet with the union provided that non-union men are present and are permitted to enter into the negotiations. The C.I.O. is opposed.

At B. Greening Wire there was a flare-up a couple of weeks ago. Some girls in the plant allegedly abused their rest period privilege and were penalized. The C.I.O. local charged a grievance and some workers struck for two days.

C.I.O. local members at Otis-Fensom claim that union activities have been responsible for increased production there. The company states that the union has done nothing but embarrass and hinder production. Union leaders have broadcast that they are fighting for a "living wage" for Otis-Fensom workers. Operators' minimum weekly pay, with cost-of-living bonus is $32.05, attained after a few weeks of training. In certain classifications, the pay amounts to $73.75 weekly. The local has asked that it be recognized as the sole collective bargaining agency for all Otis ordnance employees. The company viewpoint is that this would mean all employees would have to contact the management through the union regardless of whether they were union members or not. The Otis union local has applied for a Board of Conciliation on which no action has yet been taken.

At National Steel Car, Canadian Westinghouse and other important Hamilton plants C.I.O. members are similarly calling for collective bargaining machinery and votes within the plant to determine who the collective bargaining agent should be.

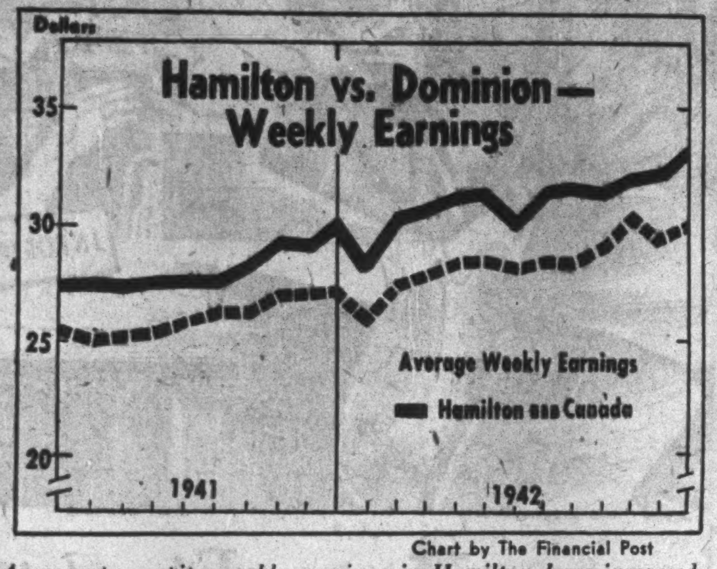

Chart by The Financial Post

*Average per capita weekly earnings in Hamilton have increased 20% since March, 1941, while the Canadian average increased 17%*

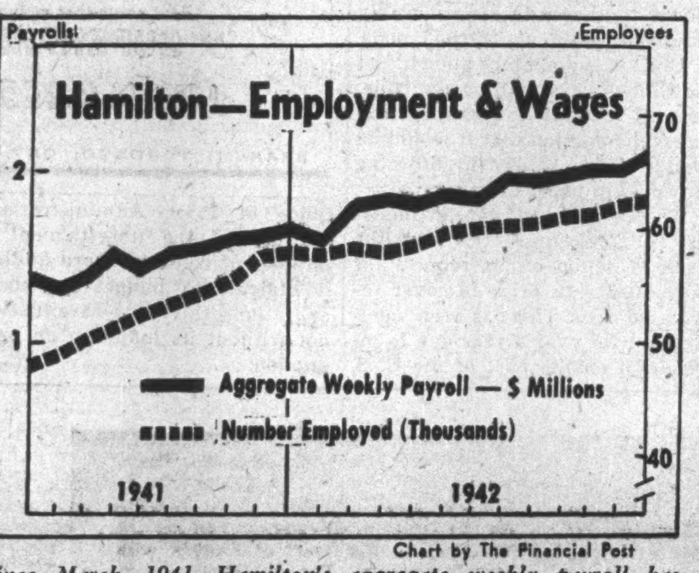

Chart by The Financial Post

*Since March, 1941, Hamilton's aggregate weekly payroll has jumped 45%. At the same time the number of people employed increased 31%.*

## Why Hamilton is Labor Target

**Reasons for C.I.O. concentration on Hamilton are not hard to find. This city with its vitally important steel plants, munitions works, electrical equipment output, other essential production, is an important target for industrial unionization.**

**Indicative of the importance of Hamilton to heavy industry is the fact that the Dominion Bureau of Statistics gives a weight of 48.9 to the iron and steel industry's part of the Hamilton employment index. This figure is surpassed by only one other major Canadian city, Windsor. Employment in Hamilton, as measured by the D. B. S. index has jumped 91% since the start of the war as against the Dominion average of 56%. Employment in the city's steel industry over the same period has advanced 218%.**

**Greater Hamilton, according to latest census figures, has a population of 186,370. D. B. S. reports that at Dec. 1, 1942, 354 reporting Hamilton establishments had a working force of 63,592 persons. Most important industry of the city is iron and steel which employs 31,064; textiles employ 6,735, electrical apparatus 6,436, trade 4,273 and construction 2,060 — all of these figures being as at Dec. 1, 1942.**

**Hamilton's weekly payroll totals better than $2.1 millions. This computation was started March, 1941, when Hamilton workers made $1.4 millions weekly. This increase of 45% compares with an employment increase of 31%.**

**Paid $33.07 weekly as compared with the Canadian average of $30.03, the average Hamilton worker is earning 20% more than in March, 1941, against an increase of 17% for the Dominion as a whole.**

**Hamiltonians who rent their homes pay an average monthly rent of $27. Owners occupy 45% of the city's homes with estimates of the market value of these premises averaging close to $3,900. Of owner-occupied houses, 56% are mortgaged for about $1,800 each.**

# The Week in Business

Composite index of wholesale prices has risen 34% from Aug., 1939, to January this year, according to Dominion Bureau of Statistics indices. Most of this rise took place in 1940 and 1941. Composite index of industrial materials, on the other hand, has risen 46.7% over the same period with the rise accelerating during the past two years. Consumer goods have moved pretty well in line with changes in the major index, being up 32.9% over this period. All principal price indices have shown some rise since the ceiling was established on the base of Sept. 15 to Oct. 11, 1941, but part of the gain reported is due to inclusion of export items which are not controlled.

**Carloadings** for the week ended Feb. 13 at 60,503 cars compared with 62,303 cars for the preceding week and 62,912 cars for the same week last year. Decreases took place in lumber, pulpwood, pulp and paper, ore and merchandise. Gains are shown by miscellaneous freight, grain, live stock, coal and coke. The cumulative total this year is 5.6% below the corresponding portion of last year.

**Newsprint exports** in January this year at 199,580 tons compared with 274,296 tons in the first month last year, a decline of 27.3%. Production in the same month is down 25.1%.

**Cigarette consumption** continues high. January figures this year show a gain of 16.6% over the same month of 1942.

| | Jan. | Dec. | Nov. | Oct. | Year Ago |
|---|---|---|---|---|---|
| Physical vol. of business, D.B.S.* | .... | 221.2 | 207.8 | 207.2 | 193.9 |
| Dom. war expend. (million $) | 185.0 | 218.9 | 209.6 | 175.9 | 144.6 |
| Dom. total revenue (do.) | 216.8 | 175.0 | 180.7 | 203.9 | 120.5 |
| Dom. total expend. (do.) | 233.2 | 360.4 | 335.5 | 357.4 | 184.3 |
| Dept. store sales index no. | .... | 146.4 | 168.5 | 152.9 | 145.8 |
| Retail sales index no. | .... | 156.3 | 161.7 | 152.1 | 147.2 |
| Wholesale sales index no. | .... | 148.4 | 153.0 | 171.4 | 137.4 |
| Country store (% change pr. yr.) | .... | +14.6 | +15.0 | +16.7 | +14.4 |
| Divd. payment index§ | 122.5 | 122.7 | 123.1 | 123.3 | 121.3 |
| Bank deposits (1926=100) | .... | 189.0 | 185.1 | 179.1 | 154.7 |
| Cash and cheque pay. index | .... | 186.0 | 197.8 | 161.3 | 143.3 |
| Bank debits (1935-39=100) | .... | 142.1 | 164.0 | 135.7 | 124.9 |
| Money supply (c) | .... | 4,347 | 4,280 | 4,120 | 3,598 |
| NEWSPRINT % OF CAPACITY— | | | | | |
| Production ratio | 63.1 | 66.0 | 70.6 | 70.6 | 84.3 |
| Shipment ratio | 58.1 | 65.8 | 71.7 | 76.9 | 78.9 |
| RAILWAY FREIGHT LOADINGS— | | | | | |
| Tons | 155.1 | 173.4 | 142.0 | 127.9 | 169.3 |
| Cars | 130.5 | 145.2 | 126.5 | 124.6 | 149.6 |
| COST OF LIVING— | | | | | |
| D.B.S. | 117.1 | 118.8 | 118.6 | 117.8 | 115.4 |
| EMPLOYMENT INDEX No. D.B.S.— | | | | | |
| All industries | .... | 186.5 | 183.3 | 181.3 | 168.8 |
| Manufacturing | .... | 221.7 | 218.6 | 218.3 | 188.4 |
| Payrolls (June 1/41=100) (b) | .... | 144.3 | 140.8 | 138.0 | 119.5 |
| Payroll index (a) (1937=100) | .... | 231 | 216 | 223 | 193 |

| | 1942-43 | 1941-42 | Jan. 1 to date 1942-43 | Jan. 1 to date 1941-42 | % Change |
|---|---|---|---|---|---|
| RAILWAYS— | | | | | |
| ▪Carloadings (week Feb. 13) | 60,503 | 61,912 | 396,683 | 420,713 | —5.6 |
| ▪C.P.R. gross (week Feb. 14) $ | 4,856,000 | 4,448,000 | 28,363,000 | 27,615,000 | +2.7 |
| ▪C.N.R. gross rev. .... (Jan.) $ | 29,278,000 | 25,967,000 | ........ | ........ | +12.7 |
| ▪C.N.R. net rev. ...... (Jan.) $ | 4,472,714 | 5,157,112 | ........ | ........ | —13.2 |
| C.P.R. gross rev. .. (Dec.) $ | 24,523,338 | 21,204,215 | 256,864,091 | 221,446,053 | +16.0 |
| C.P.R. net rev .... (Dec.) $ | 5,194,311 | 5,090,750 | 48,187,689 | 45,057,336 | +4.8 |
| IRON AND STEEL—(December)— | | | | | |
| Pig iron production (tons) | 164,382 | 166,182 | 1,975,015 | 1,528,053 | +29.3 |
| Steel production ... (tons) | 269,834 | 244,844 | 3,121,361 | 2,701,313 | +15.5 |
| CONSTRUCTION— | | | | | |
| Contracts awarded . (Jan.) $ | 11,984,300 | 12,880,900 | ........ | ........ | —7.0 |
| Building permits .. (Dec.) $ | 6,358,265 | 8,391,308 | 103,820,302 | 135,301,519 | —23.3 |
| Cement prod., bbls. (Nov.) | 622,919 | 663,332 | 8,813,553 | 7,987,357 | +10.5 |
| AGRICULTURE— | | | | | |
| Flour prod., bbls. .. (Dec.) | 2,062,835 | 1,577,169 | 20,760,396 | 20,471,435 | +1.4 |
| Cattle sales▴ ...... (Jan.) | 56,969 | 110,276 | ...... | ...... | —48.4 |
| Hog sales▴ ........ (Jan.) | 499,644 | 590,813 | ...... | ...... | —15.4 |
| SEA FISHERIES—‡ | | | | | |
| Catch, cwts. ....... (Dec.) | 692,700 | 387,400 | 10,740,000 | 10,871,000 | —1.2 |
| Landed value ....... (Dec.) | 1,253,700 | 957,400 | 31,513,000 | 25,499,200 | +23.5 |
| NEWSPRINT— | | | | | |
| Production, tons ... (Jan.) | 233,544 | 311,904 | ........ | ........ | —25.1 |
| ▪Exports, tons ...... (Jan.) | 199,580 | 274,296 | ........ | ........ | —27.2 |
| MINING AND OILS— | | | | | |
| Coal prod., tons .... (Dec.) | 1,735,460 | 1,813,963 | 18,839,410 | 18,225,921 | +3.3 |
| Gold rec., fine oz. .. (Dec.) | 349,459 | 401,716 | 4,594,487 | 5,081,480 | —9.5 |
| Petroleum prod., brl. (Nov.) | 838,350 | 855,993 | 9,504,291 | 9,226,961 | +3.0 |
| ELECTRIC POWER OUTPUT—(December)— | | | | | |
| Total monthly, 1,000 kw.h.'s | 3,248,672 | 3,220,800 | 37,109,976 | 33,445,380 | +10.9 |
| OTHER INDUSTRIAL FACTORS— | | | | | |
| Shoes, prod., pr. .. (Dec.) | 2,650,375 | 2,736,108 | 33,190,912 | 32,646,736 | +1.6 |
| Cotton consump., lb. (Dec.) | 15,797,619 | 16,150,612 | 195,701,570 | 198,389,402 | —1.3 |
| ▪Cigarette cons., No.† (Jan.) | 872,109 | 747,733 | ........ | ........ | +16.6 |
| FINANCE— | | | | | |
| Bank debits† ...... (Dec.) $ | 4,194,613 | 3,686,546 | 45,526,254 | 39,242,957 | +16.0 |
| Bond sales† ........ (Dec.) $ | 92,552 | 82,473 | 4,290,136 | 2,360,181 | +81.7 |
| Life insurance sales (Dec.) $ | 48,576,000 | 47,172,000 | 534,822,000 | 428,915,000 | +24.7 |

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▴Total at yards and plants. †000 omitted. ▪Millions of dollars.
§Supplied by Nesbitt, Thomson & Co. *1935-39=100. (c) 000,000's omitted.
(a) Compiled by Canadian Bank of Commerce. (b) All industries.

# New Books . . .

### Nazi World Thinking

THE WORLD OF GENERAL HAUSHOFER, by Andreas Dorpalen. Published by Farrar & Rinehart, Toronto.

This book explains many of the moves of the Nazis immediately prior to the war and after the conflict started, so long as they retained the decision of where and when.

The Bavarian-born General Haushofer settled down to teach geography in the University of Munich after the end of the first Great War. His position gave him a national platform from which to preach his peculiar ideas of world politics or geopolitics, which he defines as "the doctrine of earth relations of political development."

Haushofer's background included a leisurely trip to Japan in 1909 and four years service as an artillery commander in the Great War. Through Rudolf Hess, Haushofer and Hitler came together when the latter was in prison in 1923. While the official connection between the two has never been very definite, it is believed that Haushofer's teachings and writings have had a great, if not dominating, influence on the head of the Nazis. The author intimates that Haushofer was shrewd enough not to tie-up openly with the Nazi party so that when the latter collapses, he may be free again to go on with his own doctrine.

Haushofer cites the examples of Japan and Great Britain as successful geopolitical-minded nations, though in advancing proof, he does not hesitate to use both highly inaccurate maps and highly inaccurate history and other data. Haushofer takes what he likes to prove any point. He attributes Germany's downfall in the first Great War to ignoring geopolitics, when it tied up with weak allies and antagonized Russia, with its huge resources which could have been so valuable to the Germans. He was enamored with the Jap technique, which collected a vast empire with hardly a shot fired or a rival major power disturbed until shortly before Pearl Harbor. Hitler's alliance with Japan, his bloodless conquest of neighboring countries from 1934 to the actual outbreak of war, and his move to grab Russian resources by one way or another, are all in accord with Haushofer's geopolitics.

GOVERNMENT
AND
CORPORATION
SECURITIES

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LIMITED
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Unconditional Surrender

So far as civilians are concerned, the way to force the enemy into "unconditional surrender" must be paved by continuous purchases of Victory Bonds.

No matter how large or small your order, we shall be glad to fill it.

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Metropolitan Building, Toronto
Telephone: Elgin 0161
Offices at Toronto, Montreal, Ottawa, Hamilton, London,
Correspondents in New York and London, England.

business meets the Farmer

Business men who have previously not given serious thought to rural Canada are now becoming well acquainted with the farmer.

It is a profitable and lasting acquaintance because rural Canada today, more prosperous than ever before, is shaping up into the nation's most promising post-war market.

That is one reason for getting a rural sales acquaintance, Mr. Business Man! . . . The other is that the biggest portion of the farm market can be covered with ONE publication — the Family Herald and Weekly Star.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

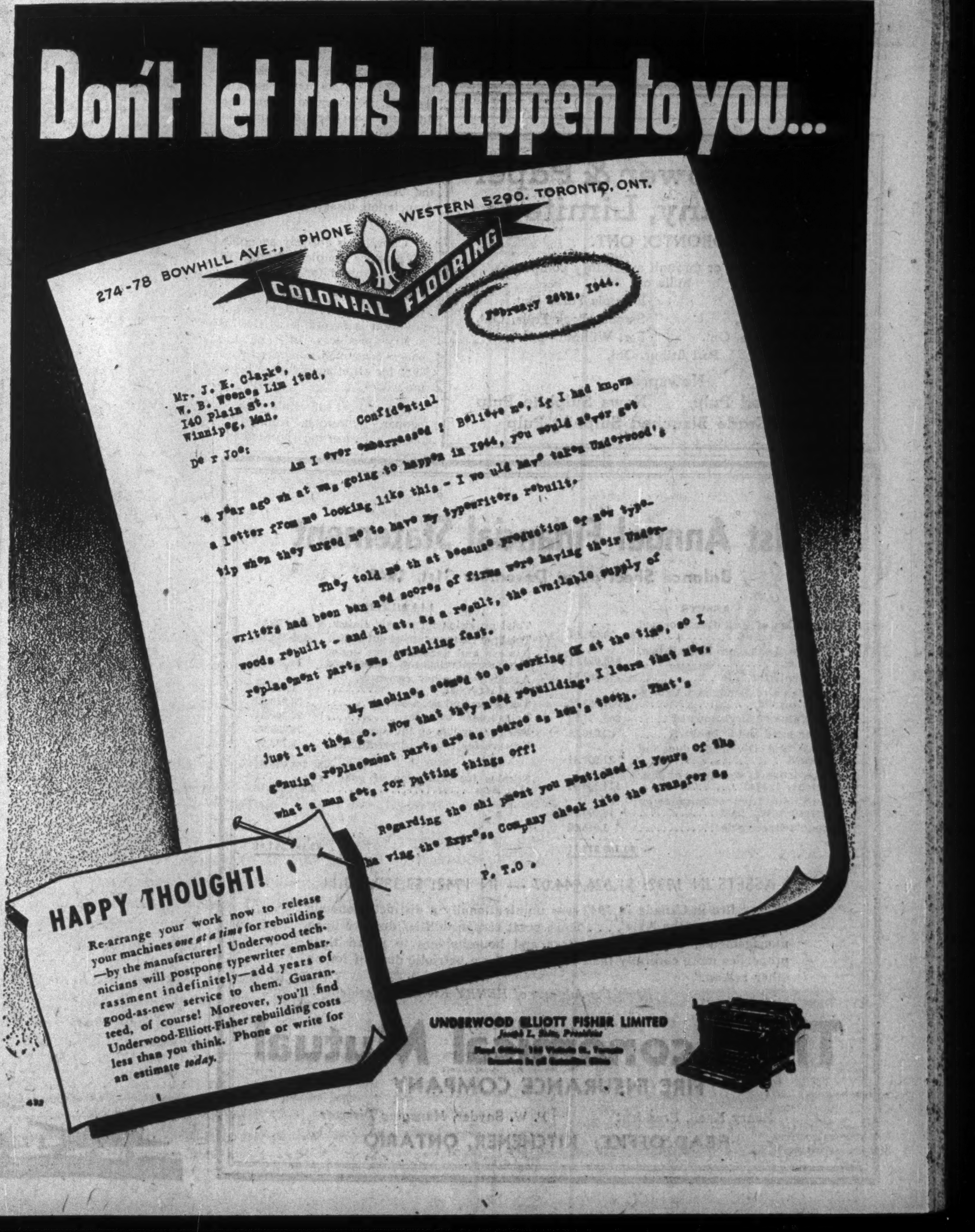
Time Saved equals Lives Saved

Sometimes the smallest thing may cause or avert a catastrophe. In these times a minute or a second saved may save a life or many lives. So inter-related and complex is the machinery of war with the industries which give it power that events, most remote and seemingly unimportant, may affect the lives of many.

The office on which most enterprise depends for guidance, direction and control thus plays an important and exacting part in industry, large and small. The second that is saved in the office may save a delay in production that may well save a life or win a battle.

Are you saving precious time with the proper working tools?

Makers Since 1888
FILING SYSTEMS AND OFFICE EQUIPMENT
THE OFFICE SPECIALTY MFG. CO.
LIMITED
HEAD OFFICE AND FACTORIES: NEWMARKET, ONTARIO
Branch Stores In Canadian Cities From Coast to Coast


Don't let this happen to you...

274-78 BOWHILL AVE., PHONE WESTERN 5290. TORONTO, ONT.
COLONIAL FLOORING

February 26th, 1944.

Mr. J. E. Clarke,
W. B. Weenes Limited,
140 Plain St.,
Winnipeg, Man.

Confidential

Dear Joe:

Am I ever embarrassed! Believe me, if I had known a year ago what was going to happen in 1944, you would never get a letter from me looking like this - I would have taken Underwood's tip when they urged me to have my typewriters rebuilt.

They told me that because production of new typewriters had been banned scores of firms were having their Underwoods rebuilt - and that, as a result, the available supply of replacement parts was dwindling fast.

My machines seemed to be working OK at the time, so I just let them go. Now that they need rebuilding, I learn that new genuine replacement parts are as scarce as hen's teeth. That's what a man gets for putting things off!

Regarding the shipment you mentioned in yours of the having the Express Company check into the transfer as

P. T. O.

HAPPY THOUGHT!

Re-arrange your work now to release your machines *one at a time* for rebuilding—by the manufacturer! Underwood technicians will postpone typewriter embarrassment indefinitely—add years of good-as-new service to them. Guaranteed, of course! Moreover, you'll find Underwood-Elliott-Fisher rebuilding costs less than you think. Phone or write for an estimate *today*.

UNDERWOOD ELLIOTT FISHER LIMITED
Joseph L. Seitz, President
Head Office: 135 Victoria St., Toronto
Branches in all Canadian Cities

## Newsprint Stabilization Pool

### September-December Period

**Pay In**

| Company | Amount |
|---|---|
| Abitibi Power & Paper | $ 375,126 |
| Anglo-Canadian Pulp & Paper | 16,670 |
| Can. International Paper | 190,252 |
| Donnacona Paper | 8,428 |
| Donohue Bros. | 3,755 |
| E. B. Eddy Co. | 164 |
| Great Lakes Paper | 231,301 |
| James Maclaren Co. | 132,673 |
| Mersey Paper Co. | 58,763 |
| Ontario-Minnesota Pulp | 146,992 |
| Provincial Paper | 3,008 |
| Quebec North Shore Paper | 121,657 |
| St. Lawrence Paper | 53,158 |
| St. Raymond Paper | 5,982 |
| Spruce Falls Power & Paper | 192,593 |
| Total | 1,540,522 |

**Take Out**

| Company | Amount |
|---|---|
| Bathurst Power & Paper | $ 2,394 |
| Beaver Wood Fibre | 44,600 |
| Booth Ltd., J. R. | 553 |
| Brompton | 3,036 |
| Consolidated Paper | 257,326 |
| Lake St. John Power | 172,596 |
| Ontario Paper Co. | 381,518 |
| Pacific Mills Ltd. | 61,560 |
| Powell River Co. | 106,474 |
| Price Bros. & Co. | 211,479 |
| Retained in Pool | 298,986 |
| Total | 1,540,522 |

MONTREAL.—Over $1.5 million was paid into the Canadian newsprint stabilization fund for the period Sept.-Dec., 1942. Abitibi Power & Paper, paying $375,126, headed the list. Ontario Paper Co. held a corresponding position among companies which drew down from the pool

Each newsprint company in Canada is given a definite percentage rating of the total available business. If it produces under that figure owing to inability to manufacture because of power withdrawal, shortage of wood, etc., then the operator is entitled to draw out of the pool the profit which it would have made on the tonnage affected. Likewise, if a company produces more than its share of the total available business, it must pay in of profit resulting from the larger volume of business.

The tonnage switched during the September-December period was produced at less cost than had it been handled by the mills holding the contracts, and after paying the companies the profit they would have made on the tonnage, the stabilization pool had a credit of $298,986, the saving through the tonnage being at lower cost.

The indicatons are that no further figures will be published. Those for September and December were published to comply with government regulations. Payments in January, it is understood, were heavier. Excess of receipts over payments is expected to run close to $100,000 monthly throughout 1943.

**BRANDRAM-HENDERSON APPOINTMENTS**

*J. D. Elkins (left), manager of the British Columbia Division of Brandram-Henderson Ltd., and A. D. McKay, in charge of Industrial Sales in Vancouver, whose appointments to new fields of activity are announced by Norman Holland, president of the company. Mr. Elkins will assume duties as sales promotion manager at Montreal on March 1. Mr. McKay has been made B. C. divisional manager, with headquarters in Vancouver.*

# Paper Orders Under Fire

## Opposition to Curtailment Programme Grows

By JOHN E. LANGDON

**MONTREAL.—On the basis of new pulpwood supply figures presented by R. L. Weldon, Newsprint Administrator, the War Production Board in Washington announces that the second newsprint cut of 10% in consumption scheduled for April 1 has been deferred. According to Mr. Weldon a greater volume of wood had been cut in eastern Canada than was expected when the estimates were prepared last December, "easing the situation for the time being"**

---

Canadian papermakers, principally those producing newsprint, are showing signs of restlessness under government regulation which, to date, restricted their market and denied them what they consider equitable prices.

At the same time the American Pulp and Paper Association is questioning the soundness of Washington's policy, alleging that a "total misconception" exists as to the real facts.

A demand is being made in Congress for an investigation to ascertain whether any government agency contemplates a programme aimed at curtailment of the dissemination of news.

The first curtailment of 10% in the use of paper went into effect at the beginning of the year.

A. G. Wakeman, paper chief of the W.P.B., claims further curtailment is necessary to absorb the difference between consumption and production.

**U. S. Industry's Views**

The war industry committee of the American Paper and Pulp Association disagrees. The committee says:

"Capacity is entirely adequate to produce ample supplies of paper required for government, war and civilian activities.

"The paper industry power situation is favorable as the industry produces 70% of the power consumed, compared with 30% for all other manufacturing industries.

"No critical materials such as copper, aluminum, iron, steel, rubber, etc., are incorporated in the end product and only insignificant quantities used for maintenance and equipment.

"Only 5% of the U. S. carloadings are used for inbound and outbound shipments by the paper industry.

"The labor force at mills is adequate providing dislocation can be prevented by immediate and justifiable recognition of essentiality of products by the War Manpower Commission. Total industrial employment of the pulp and paper industry in the United States is only 150,000, no great reservoir for military or war industry personnel . . ."

**Canadian Situation**

Many of these arguments apply with equal force to the Canadian industry. Last year the power situation was bad and large blocks of electrical energy had to be diverted to war industries. The power supply is strengthening, rather than weakening. It is possible that by the end of this year some power may be returned to the mills.

The labor supply, and with it the supply of pulpwood, is really the crux of the Canadian situation. Given the pulpwood, there does not appear to be any reason why the Canadian mills cannot turn out all the paper required.

**Wood Supply Indefinite**

Although the number of men in the woods is less this winter, a large quantity of pulpwood was hung up last spring when the floods came down earlier than expected. This year much, if not all, of that wood will be driven down to the mills, considerably augmenting the cut in the woods.

Until it is definitely known just how much wood will be available, several Canadian operators express the opinion that it would be better to go slowly in ordering any cuts in paper consumption.

The Canadian newsprint industry is expressing concern over the lack of action on its request for an advance in price to cover increased costs. This has been hanging fire for over a year due to indecision on the part of the U. S. Office of Price Administration. Because of the unsettlement a number of companies are finding it difficult to budget for their operations this year—a situation not without its influence on production.

One of the principal reasons for desiring a reduction in civilian consumption of pulp and paper is to make a larger quantity of sulphite pulp available for nitrating and other war purposes.

From the opposition shown to the proposed cut in paper consumption, and it is growing rather than declining, it is possible that government agencies will make a new appraisal before irrevocably committing themselves.

A Certainty

It is a certainty that if you leave an estate of moderate size, succession duties will have to be paid.

The amount of the tax, however, can to some extent be controlled by you.

How? By carefully planning the distribution of your estate through your Will. This can usually bring about savings and eliminate the losses that so often result from haphazard methods of planning. We invite you to discuss with us the planning of your Will without obligation.

Write for free booklet
"Security for your Family"

NATIONAL TRUST
COMPANY, LIMITED
TORONTO MONTREAL HAMILTON
WINNIPEG EDMONTON

Abitibi Power & Paper Company, Limited
TORONTO, ONT.

Owning directly or through subsidiary companies, mills at
Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.

Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

**71st Annual Financial Statement**

**Balance Sheet as at December 31st, 1942**

| ASSETS | |
|---|---|
| Book Value of Real Estate owned or held for sale | $ 50,637.07 |
| Mortgage Loans on Real Estate, first liens | 856,054.11 |
| Agreements for Sale | 5,367.64 |
| Book Value of Bonds and Debentures owned | 2,027,699.40 |
| Book Value of Stocks owned | 205,177.32 |
| Cash on hand and in banks | 82,046.81 |
| Interest and Dividends due and accrued | 27,907.41 |
| Agents' balances written on or after October 1, 1942 | 114,166.41 |
| Amount due from reinsurance on losses already paid | 18,400.86 |
| Accounts Receivable | 1,916.08 |
| | $3,389,373.11 |

| LIABILITIES | |
|---|---|
| Total provision for unpaid claims. | $ 110,783.95 |
| Total net reserve carried out at 80% | 488,254.48 |
| Reserve and unpaid claims under unlicensed reinsurance unsecured | 14,120.94 |
| Agency and other expenses, due and accrued | 1,801.32 |
| Taxes due and accrued | 28,918.82 |
| Reinsurance balances | 27,800.84 |
| Reserve for loss on investments | 79,339.91 |
| Reserve for return of premiums | 3,722.67 |
| | $ 754,742.93 |
| Surplus for protection of policyholders | 2,634,630.18 |
| | $3,389,373.11 |

ASSETS IN 1932: $1,826,944.07 — IN 1942: $3,389,373.11

"Every fire in Canada in 1942 was unintentionally a distinct economic contribution to the Axis . . . . Thus, great responsibilities devolve upon managements, business proprietors and householders to guard their properties more carefully than ever before as a patriotic duty, if for no other reason."

*From the Address of HENRY KNELL, President*

**The Economical Mutual**
**FIRE INSURANCE COMPANY**
Henry Knell, *President* F. W. Snyder, *Managing Director*
**HEAD OFFICE: KITCHENER, ONTARIO**

INFORMATION

Fine letterheads—spearheads of business

● Today, more than ever, must reputations for quality, integrity and high repute be maintained *by mail*. Use the written word to hold and strengthen valued connections. And choose for your letterhead a medium worthy of its task: *Superfine Linen Record.* The impressive, substantial feel of this all-rag bond* bears silent witness to the established reputation of your company. For a fraction of a cent more than the cost of the commonest of letter papers, you can make this, Canada's finest paper, the medium for all your correspondence.

*The best papers are made from rags

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documents that endure—
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High Grade Paper Makers since 1882
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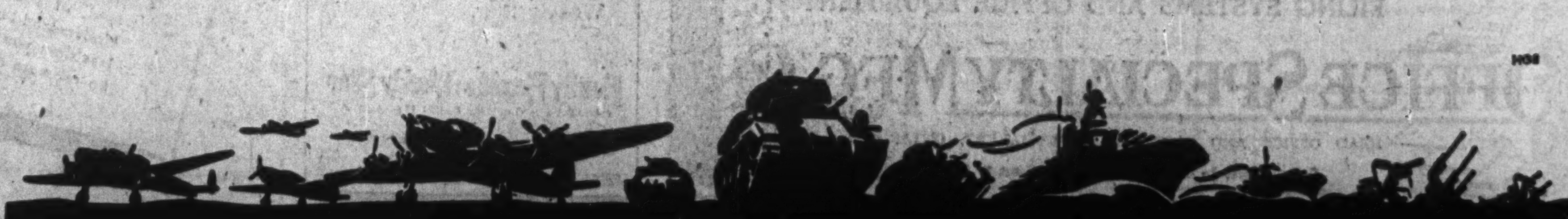
SERVING THE UNITED NATIONS WITH WAR ALCOHOL

BATTLE WOUNDS MADE CLEAN... WITH ALCOHOL

UNDER the grim test of war, Alcohol is again proving its worth in the fight against infection. Emergency operations become less dangerous because of Alcohol's disinfecting qualities; wounds are cleansed and dressings changed with this same versatile product; used as a "rub", alcohol soothes and brings peace to torn and tired bodies at the base hospitals. Alcohol is an important part of the soldier-doctor's kit, an urgent necessity in every hospital. Since war began, the demand for Alcohol for medical purposes has increased by leaps and bounds. To provide this vital need, the resources of our plants are now on full-war production.

GOODERHAM & WORTS LIMITED



# Workers For B. C. Farms

## Land Army Proposed to Ease Acute Labor Shortage

From Our Own Correspondent

VANCOUVER.—This is the time of year when British Columbia's $50 million farm industry lays its plans for the coming season, and the farmers of the west coast province—the fruit growers of the Okanagan, the dairymen of the Fraser valley, the berry producers of Vancouver Island—find themselves beset with more problems than ever before as another spring approaches.

No. 1 problem is labor, just as it was in 1942, but this year it will be even more acute. Last season the farmers managed to muddle through the harvesting emergency by mobilizing women, Mennonites, students and part-time workers, but the feeling today is that something better than that will be necessary if British Columbia is to approach the quotas of production already set.

A survey of the farm labor situation, just completed by the provincial government, shows that on the 9,500 mixed farms which reported, out of a grand total of 15,000, more than 8,400 men left their field chores to serve in the armed forces or work in other industries last year. The replacements were negliible — only about 840, according to the record, and of those 485 were sons of farmers barely old enough to do a full day's work.

### May Slaughter Stock

"Unless we can depend on a better supply of labor," a farm leader told The Financial Post, "we are going to see a continuation of the present disastrous trend of slaughtering dairy stock and leaving fertile acres untilled, at a time when the nation is calling for every pound of food that can be produced."

The provincial government, convinced of the seriousness of the situation facing the farm industries, has called on Ottawa to take steps to prepare for the emergency that will arise when the time comes to prepare the ground for 1943 crops.

The province suggests formation of a women's land army such as Britain has had since war's outset, employment of conscientious objectors, exemption of farmers' sons from military service, and establishment of a students' agricultural corps.

"Since Ottawa has taken full control over the manpower supply, the province is powerless to act without Federal sanction and co-operation," says Hon. K. C. MacDonald, minister of agriculture. "Rationing of food is useless unless we have food to ration, and we can't produce food without manpower."

### Jap Harvest Hands?

It is probable that efforts will be made to make more effective use of the several thousands of Japanese in the interior of the province as harvest hands.

For the time being marketing, perenially the leading issue at the annual meetings of British Columbia fruit growers, is taking a subordinate place.

# We Have Been Asked . . .

*The Financial Post is consolidating its enquiry departments. Our purpose is to provide as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. Enquiries, as in the past, will be answered only by letter. Those of widest public interest will be printed anonymously in this column.*

*The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. What we will do is to give a factual background that will help subscribers with their problems, assist them in reaching their own decisions. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.*

## Stocks

### St. Maurice Power

Would you be good enough to let me have a brief report on the position of the St. Maurice Power Corp. first mortgage and second mortgage bonds?

St. Maurice Power Corp.'s first mortgage and second mortgage bonds are payable as to principal and interest in Canadian funds only. The complete output of the company's plant at LaTuque is under contract, with the result that earnings are on a substantially better basis than was anticipated at the time public financing was carried out in the early part of 1940. The financial statement for 1941, the last available, shows that all interest charges were earned 1.48 times before depreciation, and 1.02 times after depreciation. It is anticipated the 1942 statement will show bond interest charges covered by a wider margin than in 1941.

### Canadian Canners

What does the 1943 outlook appear to be for Canadian Canners?

In the fiscal year ended Feb. 28, 1942, net profits of Canadian Canners Ltd. amounted to $1,123,310 as compared with $1,011,085 in the previous fiscal year. Full dividends are being paid on the preferred stocks while dividends on the common stock are currently being paid at the rate of 50c. per share annually. Indications are that for the most recent fiscal year earnings will be reasonably close to the 1941-42 mark.

In a forecast of the canning industry for 1943, W. R. Drynan, president and general manager of Canadian Canners, states that tin plate will be available for 1943 production and unless there are further restrictions on tin plate and canning, the industry will be operating to capacity. However, he states, the growing and canning operations in 1943 will depend largely on the labor situation. Conditions in 1942 in this latter regard were somewhat unsatisfactory, but it is felt that some of the difficulties experienced last year can be corrected in 1943. Demand for canned goods in Canada is very high and appears to exceed the available supply.

### Stanley Realty

We would appreciate it very much if you would forward us a report on Stanley Realty Corp. 7% bonds due 1945.

Stanley Realty Corp. carried out a reorganization last March. Under the plan the 7% first mortgage bonds were cancelled and the holders received in exchange 25% of the principal amount in 6% income debentures. A first mortgage was raised on the property and used to pay off taxes and other charges, as well as to provide working capital. The new income debentures were ready for exchange last August. Seemingly you have not been informed of this change and we suggest that you get in touch with the secretary of the company at their head office, 1200 Stanley St., Montreal.

## Income Tax

### Moves to U. S.

I am a Canadian but expect to move to the United States shortly. where will I pay income tax on my 1942 income? In which country will I pay income tax on my 1943 income?

You will be liable to the Canadian income tax authorities for income tax on the whole of your 1942 income. You may be held liable to them also for tax on your 1943 income while the United States authorities will also claim income tax from you because you will be a resident of that country for the greater part of the year. Under an agreement between the two countries, however, you will not be subjected to actual double taxation but can offset tax paid in one country against tax payable in the other. Thus, suppose before you leave Canada you pay through deduction at the source $1,000 in taxes on 1943 income. Suppose also your tax due the United States on the whole year's income would be $4,000 you would be allowed to deduct from the $4,000 payable there, the $1,000 already paid in Canada.

### Deductions at Source

On page 13 of the government pamphlet explaining the income tax, there is provision for deduction from total tax of the National Defense Tax deducted at the source from Jan. 1 to Aug. 31, 1942. No provision seems to be made, however, for the 7% deducted from dividend cheques from Sept. 1 on. This is deducted at the source also. Does it mean the tax-payer has to pay the normal tax on the full amount of the dividend cheque when he comes to make out his income tax return even though the 7% has already been deducted by the paying company at the source?

No. The 7% tax deducted at the source from Sept. 1 on would be deducted from your total tax payable just as is the National Defense Tax paid up to Aug. 31.

### Church Contributions

In computing taxable income are contributions to church allowed?

Yes. Contributions to churches are allowed as deductions. But the total of such deductions to churches, charities, etc., must not exceed 10% of your income. Your claim for allowance should be supported by a receipt.

## Business in War

### Ceiling Prices

Is there a list of all the ceiling prices published by the Wartime Prices and Trade Board?

There is no such list because ceiling prices for the thousands of commodities vary from store to store, the ceiling for each store being what it charged in the basic price period.

### Renting House

I have been renting part of my house and living in the other part, and am considering moving to the country. May I rent the other three rooms while not living in the house myself?

Yes, if you own the house yourself. On the other hand if you are a tenant, re-renting will depend on the terms of your lease.

### Corn Syrup

Is it permissible to use corn syrup to make a commercial product?

According to W.P.T.B. regulations, no corn syrup may be used in the commercial manufacture of any product in Canada. The restriction is designed to release extra supplies to the public, and takes cognizance of the fact that corn syrup is widely used for feeding infants.

# New Wartime Regulations

*Post Summary of Latest Rulings from Ottawa*

**PAPER BOXES.** W.P.T.B. Order A-592, Feb. 11, forbids the use of textiles in the manufacture of paper boxes for packing certain articles, and restricts the type of boxes to be made. In special circumstances exemption may be granted in writing. Adm. of Packages and Converted Paper Products, C. V. Hodder.

* * *

**CONSUMER GOODS.** W.P.T.B. Order 214, Feb. 12, consolidates orders 115, 144, 145, and 154 relating to maximum prices of consumer goods, and brings these orders up to date. W.P.T.B., Chm. Donald Gordon.

* * *

**MEALS and BEVERAGES.** W.P.T.B. Order A-589, Feb. 12, allows that caterers may discontinue serving a beverage (non-alcoholic) as part of a table d'hote meal without reducing the price of the meal, and may increase the price of a table d'hote meal by not more than five cents if at a customer's request he serves a beverage with the meal. An increase to 10 cents is allowed in the case of beverages served a la carte. Adm. of Services, M. W. McCutcheon.

* * *

**STOVE BOLTS.** W.P.T.B. Order A-596, Feb. 16, amends previous order A-348 dealing with stove bolts. Adm. of Fabricated Steel and Non-Ferrous Metals, H. H. Foreman.

The Fire Insurance Company of Canada
MONTREAL

Balance Sheet — December 31, 1942

| ASSETS | | LIABILITIES | |
|---|---|---|---|
| Cash | $ 91,904.74 | Unearned Premium Reserve (Legal Standard) | $281,329.95 |
| Investment Securities at Market Values allowed by the Department of Insurance | 1,452,485.56 | Losses under adjustment | 29,254.00 |
| Accrued Interest | 10,534.72 | Reinsurers' Deposits | 108,126.50 |
| Due from Agents | 99,123.84 | Due to Reinsurance Companies | 32,377.57 |
| Due from Reinsuring Companies | 528.35 | Accrued Taxes | 20,740.90 |
| | | | $471,828.92 |
| | | Contingent Reserve | 65,000.00 |
| | | Capital Stock: Authorized and fully paid 5,000 shares $100 par value | 500,000.00 |
| | | Surplus | 617,748.29 |
| | $1,654,577.21 | | $1,654,577.21 |

J. A. BLONDEAU,
President and Managing Director.

Hon. Senator DONAT RAYMOND,
Vice-President

# LONDON CALLING

WRITTEN EACH WEEK EXCLUSIVELY FOR THE FINANCIAL POST BY Adelphi

LONDON.—Two famous figures of the political Left have died in Britain—John Burns, who was 85 years of age, and Ben Tillett, who was 82.

They differed in their personalities and even in their philosophies but they had two things in common—an abundant humor and a passionate desire to raise the standards of workers.

When John Burns entered Parliament in 1892 he was a Liberal-Radical. There was no such thing as the Labor Party then. He was simply a British working man and as such something of a novelty. In 1905, Sir Henry Campbell Bannerman, the Liberal Prime Minister, had a great idea. He was forming his government, and sent for John Burns.

Conscious of the honor he was bestowing on this humble man, Sir Henry said, "Mr. Burns I invite you to become president of the Local Government Board with a seat in the Cabinet." Mr. Burns' reply was to put out his hand. Sir Henry took it and waited for the torrent of gratitude. Instead Mr. Burns said, "Prime Minister, you will find this is the most popular thing you ever did in your life." And so it proved.

In 1909 Burns became president of the Board of Trade and held that office until 1914. Then came the war. Burns did not believe in war. Yet here he was, the Rt. Hon. John Burns, privy counsellor and cabinet minister. He was a poor man and his minister's salary was important to him. Yet John Burns resigned and lived in retirement for 29 years. He was one of the few ministers who ever resigned on a matter of principle.

He was a great reader and managed to accumulate a splendid library, principally owing to the fact that Andrew Carnegie awarded him an income of £1,000 a year. Certainly one third of it must have gone on books. Thinkers and philosophers of the day found their way to his house, although in decreasing numbers during the later years.

To understand the nature of this splendid man it is worth while to glance at "Who's Who." Here is what Mr. Burns inserted about himself.

**"Educated at Battersea and at night schools, and still learning. Came into the world with a struggle: struggling now, and prospects of continuing it. Address, 110 North Side, Battersea, S.W."**

* * *

### Once Circus Tumbler

Ben Tillett had once been a tumbler in a circus. He was jaunty, a joker, a wag, a character. He affected no airs and scoffed at dignity. Yet he was a passionate reformer and a furious fighter in the early days of the Socialist movement. He led the fight for dockers' rights and even called on God to strike dead those who opposed him.

Then Ben began to grow old. The evangelical period of the Socialist movement had merged into the respectability of Parliamentary importance.

Ben would be seen in the lobbies as if wondering when the revolution was going to begin. He was a great wit. He frankly loved good food and good wine but was all against the people who had them. Unlike Burns, who sought the seclusion of the scholar, poor Ben Tillett haunted the stage door long after he had ceased to be an actor.

But they were mighty pioneers, both of them, and will hold their place in the hierarchy of British Labor.

* * *

### Names of Lords

It seems an abrupt change from old Ben and old John to the House of Lords but there were "doings" there recently. For one thing the former Sir Roger Keyes, V.C., was taking his seat as a peer. He was sponsored by Lord Lovat, the fire-eating commander of the Commandos and by Admiral the Earl of Cork and Orerry.

The gallant Roger Keyes is a sensible man. He figured out that a name like that is good enough for any man so he did not change it. On the other hand, the deputy-speaker of the Commons, Sir Dennis Herbert, has just gone to the Lords and has taken the title of Lord Hemingford. Professor Lindemann, as I told you, is now Lord Cherwell. Sir George Penny became Lord Marchwood. Harry Symons chose to be "Lord Ennisdale."

No doubt it is great fun acquiring a flowery name in one's later years but I think there is much to be said for a Keyes remaining in the same Key. That is one of the many things I liked about Lord Hirst the great industrialist who has just died.

He came here as a young Jew from Germany long before the last war. In time Hugo Hirst became a rich and powerful industrialist as well as "Sir Hugo." Finally came his Peerage but he did not become Lord Mellowfleet or Lord Witheringham. He remained Hirst as he was born.

* * *

### Stormy Scene

But I did not bring you to the House of Lords to discuss titles. It was really to tell you of a pretty rough scene which took place there. As a preliminary, it should be noted that in the British Upper House most of the debating is done by what are known as "The First Barons." In other words it is the ex-M.P. or ex-minister from the Commons, who flings himself into the cloistered quiet of the hereditary assembly. Mostly the scions of the old Houses just look on. It would seem that ancient aristocatic lineage tends more to contemplation than to oratory.

Yesterday the bout was between three "First Barons"—Lord Winster (formerly Commander Fletcher, M.P.), Lord Cherwell (née Lindemann) and Lord Beaverbrook (once Max Aitken of Montreal and Points East). The umpire was Lord Chancellor Simon (the former John Simon of the Commons). The earls and dukes had ringside seats.

Winster was scolding the government about the inadequacy of the Fleet Air Arm. Beaverbrook, although no longer a member of the government, made a defense for it. At the same time he admitted that there were too many committees on airplane production. Then Lord Cherwell, as a minister made the official reply for the government. As the professor proceeded, Beaverbrook became restless. A frown darkened the serenity of his brow. Finally the peers heard the following dialogue:—

**Cherwell:** Lord Beaverbrook was remarking that the government had to try and compromise between anarchy and totalitarianism.

**Beaverbrook:** (jumping up) That is a perfectly false representation of the speech I made.

**Cherwell:** I do hope he will not think I meant any attack on him.

**Beaverbrook:** It was misrepresenting me, deliberately misrepresenting me.

**Cherwell:** (resuming his speech) Design is more an art than a science.

**Beaverbrook:** No, that is not the case.

**Cherwell:** Designers would say so any way. In the Fleet Air Arm planes had to have a short run and slow landing.

**Beaverbrook:** What about the Hurricane? That is not slow landing.

**Cherwell:** It has a very broad arrester gear.

**Beaverbrook:** Why can't they all have them?

**Indignant chorus of Dukes, Earls, Marquises, and Barons:** Order! Order! Order!

**Beaverbrook:** Well keep order. Order yourself!

Max Aitken of St. James' St., Montreal, Max Aitken of New Brunswick, Max Aitken the maker and breaker of cabinets, had told the House of Lords to order itself. I draw the curtain. The blush of a duke is not for ordinary eyes.

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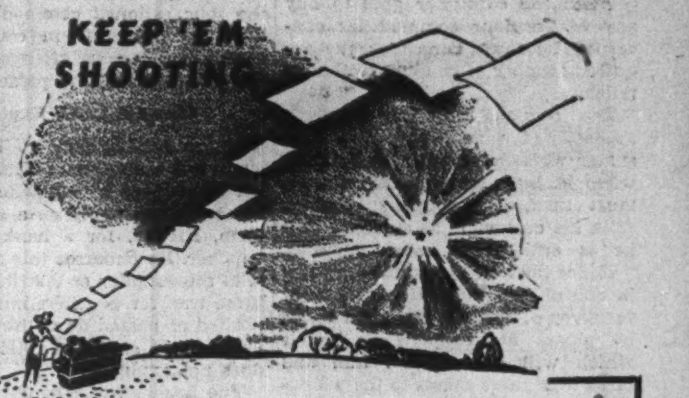

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# See Ration Banking As Wartime Service

### Coupon cheques and transfer vouchers become Supplementary Type of Money — Applies to Dealers With Monthly Sales of Over $5,000

March 1, when ration coupon banking comes into effect in Canada, dealers in sugar, butter, tea and coffee will require two kinds of currency — ordinary money, and Wartime Prices and Trade Board ration cheques.

The new system will use the chartered banks for handling and accounting for ration coupons and documents after they have passed from consumers into trade channels.

For banks the plan means the opening of a new set of accounts in which debits and credits will be in terms of coupons rather than money.

**How it Works**

When the consumer goes to buy any of the four commodities concerned he must surrender the required number of coupons to the retailer.

The coupons are the retailer's authority for supplying the consumer with the goods. The retailer, when he buys from the distributor, must turn over coupons received from his customers as evidence that he is entitled to more supplies.

Under the new system he does this in one of two ways. If his monthly turnover of foods is less than $5,000 he pastes his coupons on sheets which will be supplied him and turns over these sheets to the wholesaler. If his monthly sales exceed $5,000 he deposits his coupons in the bank just as if they were money, getting credit for his deposits.

Then, when making a purchase from the distributor, he gives a coupon cheque with his cheque for money covering the amount of goods he wants to buy. Public caterers such as hotels, restaurants and institutions will also have coupon bank accounts.

**Deposits Coupons**

The wholesaler who receives coupons direct from the retailer, deposits them in the bank on his own account along with the coupon cheques he receives. Thus all coupons, as well as quota authorities issued to hotels, etc., find their way to the chartered banks.

The new system is expected to make things easier for the retailer. There are over 3,000 branch banks in Canada and he will be able to deposit his coupons at that with which he does business. The Ration Administration has only 28 branch offices.

**Method of Deposit**

Deposits of consumer coupons will be made with deposit slips similar to those used when making cash deposits. The banks then provide the retailer with a cheque book and he issues cheques for the desired quantity of the commodity in question.

Once coupons or other ration documents are deposited, a balance in a ration bank account remains valid until declared otherwise by the Ration Administration.

Each dealer opening a ration coupon account with a bank must open a separate account for each of the four rationed commodities. To have an overdraft in coupon accounts is a serious offence, making the offender liable to prosecution.

**Cheques Don't Expire**

If the retailer has no bank account but accumulates a large number of coupons he can take them to the bank and apply on a stipulated form, RB-122, for a bank transfer voucher. He endorses this and gives it to the supplier or distributor. But these transfer vouchers must be deposited or passed on within 30 days, or they will expire. A ration cheque does not expire.

The banks, while handling ration coupons, do not act as ration offices.

The new use of banking facilities will add materially to their work, bankers say, but they regard the job as a wartime service. The system followed is similar to that in use in Britain and the United States.

## Staff Changes

The Bank of Montreal announces the following staff changes:

J. S. BOLTON, to be superintendent securities department and the bank's investments;

C. O. McGIRR, to be superintendent business development department;

A. C. JENSEN, to be assistant manager securities department;

A. C. L. HARSHAW, to be assistant manager securities department;

P. H. HOWARTH, to be assistant to the general manager at head office;

R. L. BAILEY, to be assistant superintendent Manitoba and Saskatchewan districts;

R. V. CAMPBELL, to be assistant superintendent Alberta district;

N. G. RUNIANS, to be assistant superintendent western credit department at head office;

H. S. OLIVER, to be manager bank premises department at head office;

F. W. LINDOP, to be manager foreign exchange department at head office.

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**VICE-PRESIDENT**

*Frank Ryan of Winnipeg, who has been appointed vice-president and managing director of Bomac Federal Ltd., Montreal, and a director of Bomac Electrotype Co., Toronto. Former public relations counsel for the Hudson's Bay Co., and well known in advertising and radio circles, he is chief of the external branch of Wartime Information Board.*

# Transit Pool Is Organized

A Wartime Transit Insurance Pool has been formed to write policies under the Wartime Industrial Transit Plan.

This pool has about 100 members, including three provincially licensed companies. No insurance under the plan can be written except with the companies in the pool.

When the W.I.T.P. was first announced, two types of policies were evolved, one covering the owner and driver of a car, the other covering the plant or company. All owner-drivers approved must carry this insurance. Insurance of the company or plant for public liability is optional. Transit Control required uniformity of rate and insurance forms right across Canada regardless of risk or location. It also stated that the cover must be available for every risk irrespective of merit.

**Most Equitable Plan**

In view if these requirements and restrictions, it was decided a pool arrangement was the most equitable. Agents remuneration was set at 10% of the premium and the maximum rate of profit a company could make at 5%. Restriction of the business to members of the pool was partly designed to protect companies against competition of non-member companies, which might otherwise select their own risks and rate them according to their own schedules.

Participation of the member companies in the pool business was allocated according to the ratio their 1941 nationwide public liability and property damage writings bore to the volume of writing of the same classes of insurance of all pool members during that year.

**$1 Monthly Per Car**

By agreement with the Transit Controller the rate was set at $1 per automobile per month for limits of $100,000 to $200,000 public liability and $1,000 property damage.

Under the plan each pool member issues its own policies with expiry date Dec. 31, 1943, and annually thereafter. The member deducts the 10% agent's commission and the allowance for administrative costs and the balance is paid into the pool. Each member company pays its own claims and is then reimbursed. Non-owner liability insurance, while not compulsory for industry, if it is written, must be written on the pool basis.

# Bank of Canada Deposits Down

Total deposits with the Bank of Canada on Feb. 17 were about $25 millions lower than at Feb. 10, according to the regular weekly statement. The decline was in deposits of the Dominion Government probably reflecting war expenditures. Note circulation was slightly higher.

On the credit side, short-term investments were down about $30 millions, the decline in deposits permitting reserves to decline also. Miscellaneous assets were slightly lower.

| | Feb. 17<br>1943<br>$ | Feb. 10<br>1943<br>$ |
|---|---|---|
| **Liabilities** | | |
| Capital paid-up | 5,000,000 | 5,000,000 |
| Notes in circ. | 684,063,918 | 681,459,067 |
| Rest fund | 6,472,953 | 6,472,953 |
| Deposits: Dom. | 27,788,556 | 66,602,152 |
| Banks | 254,832,908 | 244,770,960 |
| Other | 16,728,729 | 12,690,261 |
| Total deposits | 299,350,193 | 324,063,373 |
| All other | 12,220,415 | 6,056,664 |
| Total liabs. | 1,007,107,479 | 1,023,052,057 |
| **Assets:** | | |
| In Sterling & U. S. | 327,389 | 327,389 |
| Subsid. coin | 243,468 | 204,069 |
| Investments: | | |
| Dom. gov. sh. | 744,605,744 | 774,532,182 |
| Other Dom. gov. | 250,311,786 | 232,318,767 |
| Total invest. | 994,917,530 | 1,006,850,949 |
| Premises | 2,108,119 | 2,105,410 |
| All other assets | 9,510,973 | 13,564,240 |
| Total assets | 1,007,107,479 | 1,023,052,057 |

## Weekly Bank Clearings

| | Feb. 18<br>1943<br>$ | Change<br>Year ago<br>% | Feb. 11<br>1943<br>$ |
|---|---|---|---|
| Halifax | 4,291,149 | +26.1 | 3,955,419 |
| Saint John | 2,429,609 | +8.4 | 2,812,000 |
| Moncton | 1,122,960 | +12.5 | 953,310 |
| Sherbrooke | 837,679 | +10.9 | 1,030,763 |
| Quebec | 5,174,477 | +29.2 | 4,966,654 |
| Montreal | 198,358,400 | +79.7 | 121,280,332 |
| Ottawa | 47,929,749 | +7.8 | 84,764,961 |
| Kingston | 634,001 | —7.2 | 764,291 |
| Peterborough | 795,907 | —2.0 | 696,496 |
| Toronto | 154,708,799 | +22.1 | 124,408,617 |
| Hamilton | 6,367,211 | —17.1 | 5,313,131 |
| St. Catharines | 1,409,662 | +15.1 | 1,052,106 |
| Kitchener | 1,209,474 | —8.9 | 990,739 |
| Brantford | 1,006,293 | —0.2 | 935,954 |
| London | 2,636,666 | +10.2 | 2,643,529 |
| Chatham | 774,214 | +13.3 | 701,695 |
| Windsor | 4,771,752 | +20.2 | 3,441,816 |
| Sarnia | 736,156 | +52.2 | 592,402 |
| Sudbury | 883,184 | +5.2 | 934,319 |
| Fort William | 867,931 | —12.1 | 1,075,339 |
| Winnipeg | 39,050,685 | +13.9 | 38,273,801 |
| Brandon | 393,960 | —2.6 | 378,276 |
| Regina | 3,378,646 | +13.4 | 4,866,812 |
| Moose Jaw | 815,469 | +23.4 | 574,875 |
| Saskatoon | 1,733,567 | +22.0 | 1,787,654 |
| Prince Albert | 522,238 | +14.7 | 500,982 |
| Edmonton | 6,547,747 | +22.1 | 6,120,746 |
| Calgary | 6,554,814 | +9.1 | 6,357,626 |
| Lethbridge | 685,043 | +19.0 | 612,780 |
| Medicine Hat | 305,371 | +4.3 | 397,372 |
| N. W'minster | 728,187 | —7.4 | 698,557 |
| Vancouver | 24,590,399 | +27.0 | 23,931,734 |
| Victoria | 1,994,868 | +4.6 | 1,739,603 |

# Independent Companies Organize Conference

### Will Facilitate Exchange of Information and Co-operation in Fire Insurance Matters — Jurisdiction in Ontario and Quebec

Formation of a conference by the independent fire insurance companies in Canada, just announced, is regarded by many insurance executives as one of the most important developments in the business in years.

Initial membership is 54 Dominion and provincial licensed companies operating in Ontario and Quebec, to which territory the activities of the body will for the time being be confined. It is to be known as the Independent Fire Insurance Conference, and will, according to the official announcement, "protect the interests of the members while acting wholeheartedly in co-operation with other insurance bodies and interests to the betterment of conditions within the business generally."

Formation of this group means that the great majority of the fire insurance companies in Canada now subscribe to the principle of association. It is hoped this will lead to elimination of certain competitive practices from which the fire insurance business has suffered.

It is understood that, while matters affecting the conference as a whole will be dealt with by the general executive committee, it will be divided into two sections, one dealing with Ontario, the other with Quebec.

**Members of Committee**

W. F. Spry of the Canadian General Insurance Co., Toronto, is general chairman of the committee and members of the two wings are as follows:

**Ontario**

W. W. FOOT, Economical Mutual, vice-chairman.

J. G. HUTCHINSON, Shaw & Begg, Ltd., treasurer.

D. B. GOODMAN, Massie & Renwick, and G. J. MALCOLM, General Accident, Fire & Life Corp., members.

**Quebec**

J. A. BLONDEAU, Fire Insurance Co. of Canada, vice-chairman.

J. MARCHAND, Corroon & Reynolds, Inc., O. W. DETTMARS, Willis Faber & Co., and L. C. VALLEE, Commerce Mutual, members.

**Official Announcement**

In the official announcement, Mr. Spry lists the member companies as follows:

American Equitable, American Home Fire, Bankers & Shippers, Canadian Alliance, Canadian General, Canadian Home, Canadian Mercantile, Canadian National, Commerce Mutual, Casualty Co. of Canada, Consolidated Fire & Casualty, Cornhill;

Dominion of Canada General, Dominion Fire, Drapers & General, Economical Mutual Fire, Ensign, Equitable Fire, Excess, Federal Fire of Canada, Fonciere Fire of Paris, Fire Insurance Co. of Canada, Firemen's of Newark, General of Perth, General Accident of Canada, Girard Fire & Marine;

Globe & Republic of America, Gore District Mutual Fire, Helvetia Swiss, Jersey Insurance, Lumbermen's Insurance, Merchants & Manufacturers Fire, Merchants Fire, Millers National, Missisquoi & Rouville Fire, National Ben-Franklin, Nationale of Paris;

New York Fire, Northwestern National, Pacific Fire, Pilot, Protection Nationale Insurance Company, Provident, Provincial, Scottish Canadian, Stanstead & Sherbrooke, Sterling, Switzerland General, Toronto General, Union of Paris, Waterloo Mutual, Wellington Fire, Perth Mutual, Wawanesa Mutual.

"One of the first objectives of the conference is to bring about closer and more co-operative relations with insurance agents, agents' associations, brokers, and all other insurance companies," says Mr. Spry:

"In conclusion I wish to emphasize that while this conference will in no way assume regulatory powers nor interfere in the present underwriting policies or agency relationships of the individual members, it will nevertheless, I believe, play an important and beneficial part in the development and direction of the business of fire insurance."

# Insurance Company Reports

## Fire Insurance of Canada

After providing for an increase of $6,357 in the unearned premium reserve, net profits of the Fire Insurance Co. of Canada were around $13,000 lower than in the previous year. Net premiums were lower while the loss ratio reflecting the higher fire losses for Canada as a whole was also above the previous year.

During 1942 the company invested $125,000 in Victory Loans. An increase in total assets was entirely in securities, other items being lower.

J. A. Blondeau, vice-president and managing director, has been elected president succeeding the late Rt. Hon. Raoul Dandurand. Senator Donat Raymond was elected vice-president and Lionel Leroux, notary, a director.

Important items in the report follow:

| | 1942<br>$ | 1941<br>$ |
|---|---|---|
| Net premiums | 319,043 | 332,922 |
| Net profit | 79,933 | 92,915 |
| Assets | 1,654,577 | 1,640,920 |
| Securities | 1,452,485 | 1,374,623 |
| Cash | 91,904 | 146,646 |
| Agents' bal. | 99,123 | 106,230 |
| Prem. res. | 281,329 | 274,972 |
| Surplus | 617,748 | 603,314 |
| Loss ratio | 50.23% | 36.72% |

## Portage La Prairie

Total assets of the Portage La Prairie Mutual Insurance Co. in 1942 increased 14.35%, while liabilities to the public increased 7.74%. Surplus rose $89,784, an increase of 17.38%. The company added $15,000 to a reserve for fluctuation in value of investments, making the total in this reserve $85,000. Investment reserve, as now created, the report states, will permit a drop of 10.65 points in the market value of all bonds and debentures without disturbing the surplus. Ratio of net losses incurred to net premiums earned was 40.761%. The company now has $3.58 of assets for every dollar of liability, an increase of 6.23% over 1941, the report states. Appointment of E. D. Alder as director in place of the late P. D. McArthur was confirmed.

| | 1942<br>$ | 1941<br>$ |
|---|---|---|
| Net premiums earned | 338,675 | 333,840 |
| Net losses & exp. | 273,944 | 312,981 |
| Underwr. gain | 64,730 | 20,858 |
| Int. earned | 26,193 | 23,727 |
| Profit on sec. | 677 | 17,170 |
| General revenue | 107,107 | 74,372 |
| Charges | 17,322 | 24,360 |
| Net gain for year | 89,784 | 50,012 |
| Total assets | 993,280 | 868,591 |
| Bonds & debs. | 793,714 | 721,769 |
| Cash | 122,621 | 67,228 |
| Res. unearned prems. | 155,624 | 152,551 |
| Surplus | 606,214 | 516,430 |

## Canadian Fire

Increases in net premium income, assets and reserves are shown in the annual report of the Canadian Fire Insurance Co. in its report for 1942.

The ratio of losses to premiums earned was 35.4% compared with 38.7% in the year preceding. Ratio of expenses, excluding government license fees and taxes, to premiums written, was 49.4% compared with 46.2% the previous year. Government license fees and taxes took 10.9% of premiums written against 9.8% in 1941.

The reserve for unearned premiums was increased by $12,393.

| | 1942<br>$ | 1941<br>$ |
|---|---|---|
| Net prem. inc. | 1,381,913 | 1,350,265 |
| Losses & adjustments | 237,821 | 262,683 |
| Res. for losses | 118,458 | 101,656 |
| Gen. expenses | 478,320 | 448,032 |
| Assets | 3,301,865 | 3,221,145 |
| Securities | 2,509,105 | 2,256,182 |
| Inv. certificates | 127,015 | 251,695 |
| Mortgages | 54,649 | 62,119 |
| Prem. res. | 648,323 | 635,930 |
| P'holders surplus | 2,162,020 | 2,110,814 |

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## *Newsprint Cut Results Small*

**From Our Own Correspondent**

MONTREAL. — Curtailment of newsprint paper consumption in the United States, as ordered by Washington at the beginning of the year, is not getting the results expected. The order called for a reduction of 10% through limiting newspapers to the use of 100% of the paper required to print copies for their actual net paid circulation in 1941.

Last month the apparent consumption of newsprint paper in the United States was 2% under that reported for January, 1942, and only 1% off from that reported for January, 1941.

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THE SHIELD OF PROTECTION
THE PORTAGE MUTUAL INSURANCE CO.
EST. 1884
MUTUAL SERVICE WITH SECURITY

FIFTY-NINTH ANNUAL REPORT
Balance Sheet as at December 31st, 1942

ASSETS

| | | |
|---|---|---|
| Real Estate (Head Office Buildings) | | $ 2.00 |
| Bonds and Debentures at book value (Par Value $822,007.92) | $793,714.47 | |
| PLUS: Amount to increase to values approved by Dom. Govt. | 4,816.67 | 798,531.14 |
| Deposits with Trust Companies for investment | | 15,000.00 |
| Cash in banks | | 122,621.01 |
| Interest accrued on investments | | 6,835.39 |
| Agents' Balances under 90 days | 33,142.76 | |
| Less | 691.93 | 32,450.83 |
| 1942 Assessments unpaid | | 14,218.88 |
| Surrender value of Life Insurance | | 3,621.70 |
| OTHER ASSETS: | | |
| Autos, Furniture and Fixtures | $ 2.00 | Not included |
| Agents' Balances over 90 days | 691.93 | |
| NET ADMITTED ASSETS | | $993,280.95 |

LIABILITIES

| | | |
|---|---|---|
| Provisions for Net Unpaid Claims | | $ 11,333.38 |
| Reserve of Unearned Premiums (Dominion Government Standard) | | 155,624.85 |
| Reinsurance Premiums Held as Reserve | | 58,113.41 |
| Reserve for unlicensed, unsecured Reinsurance | | 7,313.32 |
| Taxes due and accrued | | 6,806.23 |
| Sundry Accounts Payable | | 700.00 |
| Reinsurance Accounts Payable | | 16,154.60 |
| Employees Retirement Fund | | 21,020.27 |
| Total Liabilities to the Public | | $277,066.06 |
| Reserves for Contingencies | $ 25,000.00 | |
| Reserve for future fluctuation of Investments | 85,000.00 | $110,000.00 |
| SURPLUS brought forward January 1, 1942 | 516,430.09 | |
| Increase to Surplus, Dec. 31, 1942 | 89,784.80 | |
| | | $606,214.89 |
| TOTAL | | $993,280.95 |

Unassessed Portion of Premium Notes - - - - - $675,457.28

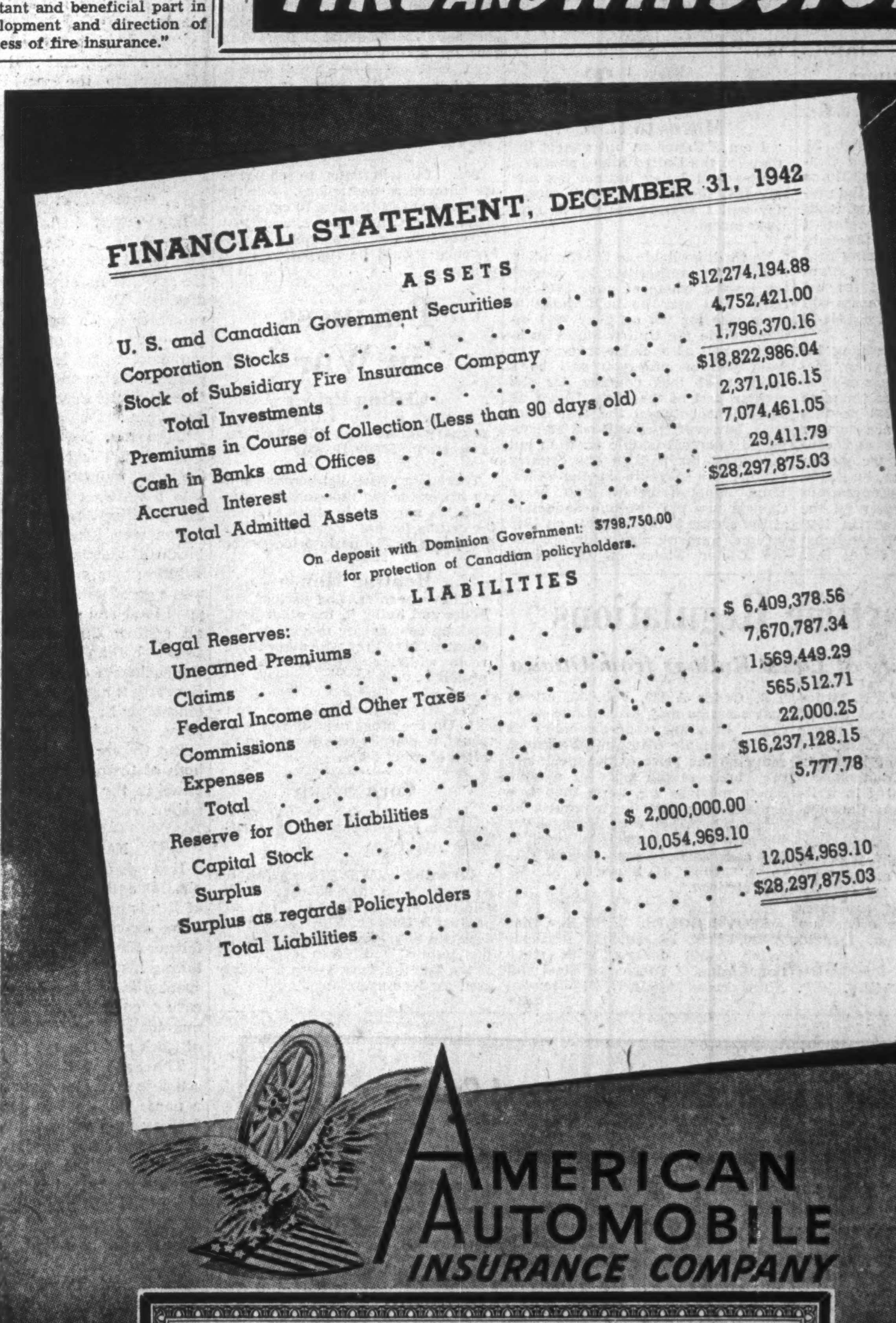
CERTIFICATE TO POLICYHOLDERS: We certify that we have audited the books, accounts and vouchers of The Portage la Prairie Mutual Insurance Company for the year ended 31st December, 1942. We have obtained all the information and explanations required, and after due consideration, have formed an independent opinion as to the financial position of the Company. In our opinion so formed the Balance Sheet herewith is properly drawn up so as to present a true and correct view of the state of the Company's affairs as at the 31st December, 1942, according to the best of our information, the explanations given to us, and as shown by the books of the Company. All the transactions of the Company that have come under our notice have been within the objects and powers of the Company.
Winnipeg, Canada,
23rd January, 1943.
G. B. HARE & CO., C. A.
Auditors.

M. G. TIDSBURY, President. E. H. MUIR, Vice-president.
A. H. THORPE, Mgr.-Secretary. A. G. HALL, Treasurer.

DIRECTORS: M. G. TIDSBURY, E. H. MUIR, E. D. ALDER, JAMES McKENZIE, ROBERT McDERMOTT, J. C. MILLER, K.C., JOSEPH TRIMBLE, ARTHUR SULLIVAN, K.C., Winnipeg, HON. D. L. CAMPBELL, M.L.A.

"The Company operates under the Dominion Insurance Act and is subject to Annual Inspection by Dominion Government Officials."

FIRE AND WINDSTORM



FINANCIAL STATEMENT, DECEMBER 31, 1942

ASSETS

| | | |
|---|---|---|
| U. S. and Canadian Government Securities | | $12,274,194.88 |
| Corporation Stocks | | 4,752,421.00 |
| Stock of Subsidiary Fire Insurance Company | | 1,796,370.16 |
| Total Investments | | $18,822,986.04 |
| Premiums in Course of Collection (Less than 90 days old) | | 2,371,016.15 |
| Cash in Banks and Offices | | 7,074,461.05 |
| Accrued Interest | | 29,411.79 |
| Total Admitted Assets | | $28,297,875.03 |

On deposit with Dominion Government: $798,750.00 for protection of Canadian policyholders.

LIABILITIES

| | | |
|---|---|---|
| Legal Reserves: | | |
| Unearned Premiums | | $ 6,409,378.56 |
| Claims | | 7,670,787.34 |
| Federal Income and Other Taxes | | 1,569,449.29 |
| Commissions | | 565,512.71 |
| Expenses | | 22,000.25 |
| Total | | $16,237,128.15 |
| Reserve for Other Liabilities | | 5,777.78 |
| Capital Stock | $ 2,000,000.00 | |
| Surplus | 10,054,969.10 | |
| Surplus as regards Policyholders | | 12,054,969.10 |
| Total Liabilities | | $28,297,875.03 |

AMERICAN AUTOMOBILE INSURANCE COMPANY

Canadian Managers
SHAW & BEGG, LIMITED
18 TORONTO STREET TORONTO

**Correspondence**

# An Alternative to Ruml—

## *Suggests Paying the Eight-months' Debt by Installments*

Gentlemen:

In view of the recent public interest in the "Ruml Plan"—which plan I believe is not practicable, I am taking the liberty of sending you a copy of the letter which I wrote to the Income Tax Department a few months ago:

Under the present plan, the taxpayer is always eight months "behind" in his payments. The average taxpayer, I am certain, understands this, but when he receives his pay envelope at the end of each week (or other pay-period) and sees that a deduction of $12.50, say, has been made from his total earnings of $50, he considers that he is earning a net of $37.50 per week. Whether the $12.50 applies on what he has earned this week, or this year, or last year does not interest him to any great extent, if at all. He knows that he receives just as much "net," and lets it go at that.

In the eyes of the Department, of course, he is still behind, and I am proposing a plan to bring the present collection system up-to-date so that eventually the deduction made in any one week would be applied to the earnings of that very week.

**I suggest that the next Table of Tax Deductions, instead of being calculated to bring in 90% of the tax during the 12 months ending Aug., 1944, be calculated to make the same deductions (in total) over an eight-month period.** This would follow through for two such periods:

| Deductions during | Applicable to |
|---|---|
| Sept., 1943 to Apr., 1944 .... | 1943 income |
| May, 1944 to Dec., 1944 .... | 1944 income |

After the year 1944, that is, deductions beginning in Jan., 1945 would automatically apply against 1945 income so that at the end of any one year the taxpayer would know that he has paid almost all of his tax for that year, and would have to pay a rather small balance by Feb. 15, say, of the following year.

The above plan would necessarily mean that the deductions-at-source beginning Sept., 1943 would be larger than those being made at present. It should be noted that in any case—even if income tax rates remain the same—a new Table of Tax Deductions would have to be compiled and that these amounts, too, would be larger than the ones shown in the present table. This is due to the taxpayers having been credited with National Defense Tax payments for eight months, the balance being spread over 12 months. To illustrate, on the basis of collecting 90% of the income tax at source, and calculated at the present rates of normal and graduated taxes, weekly deductions under the present 12-month plan (A) and the proposed eight-month plan (B) would compare as follows:

| Annual Income: | Single A | Single B | Married with two depend. A | Married with two depend. B |
|---|---|---|---|---|
| $1,000 ........ | 7.04 | 10.56 | .97 | 1.46 |
| $2,000 ........ | 10.40 | 15.60 | 3.72 | 5.58 |
| $2,400 ........ | 13.51 | 20.27 | 6.76 | 10.14 |
| $2,800 ........ | 16.73 | 25.10 | 9.91 | 14.86 |

As the tax would be collected in only two thirds of the time, the amounts shown in column A must be increased by 50%. However, as this would bring the amounts in column B up to a point which the Department might feel the taxpayer would have difficulty in meeting, the collections might be spread over a longer period, say, ten months (until such time as the taxpayer is up-to-date) as follows:

| Deductions during | Applicable to |
|---|---|
| Sept., 1943 to June, 1944 .... | 1943 income |
| July, 1944 to Apr., 1945 .... | 1944 income |
| May, 1945 to Feb., 1946 ..... | 1945 income |
| Mar., 1946 to Dec., 1946 .... | 1946 income |

Under this latter plan (C), we would be up-to-date at the end of 1946 so that deductions made in Jan., 1947 would be applicable to 1947 income. As the tax, under this plan, would be collected in five-sixths of the time, the amounts in column A would have to be increased by only 20%, as follows:

| Annual Income: | Single A | Single C | Married with two depend. A | Married with two depend. C |
|---|---|---|---|---|
| $1,600 ........ | 7.04 | 8.45 | .97 | 1.16 |
| $2,000 ........ | 10.40 | 12.48 | 3.72 | 4.46 |
| $2,400 ........ | 13.51 | 16.21 | 6.76 | 8.11 |
| $2,800 ........ | 16.73 | 20.08 | 9.91 | 11.89 |

To the objection that it may be confusing if the date of final deduction varies from year to year (June, April, February in plan C, above), may I point out that due to the variety of deductions which have to be made in present times, all wage records are now kept in such good order that it would take any firm a week—at the outset—to compile a detailed list of their employees, number of dependents, amounts paid, etc., etc., as required by Form T4B. As this information must be listed once each year in any case, it would matter very little when that information was requested by the Department. Also, as soon as we get on the "pay-as-you-earn" basis, this objection, if it may be so termed, would no longer exist.

The advantage of this plan over the Ruml plan is that not only would the Department not lose one year's taxes from individuals, but collections would be coming in even more quickly than before. Everybody—corporations, partnerships, individuals—would pay full taxes, and one class of taxpayers would not be favored to the exclusion of the others. Also, any individual who is prepaying his taxes so as to be fully paid up at the end of Aug., 1943 (professional men, salesmen, owners of a partnership) would not be unfairly discriminated against.

Although some of the amounts shown under plan B may appear rather high, one should not lose sight of the fact that the Savings Portion of the tax, when taken into account in the lower-income brackets, would halve the amounts of "total tax."

Respectfully yours,
M. MOSS.

**In the accompanying letter, M. Moss, of Montreal, offers a suggestion for meeting the eight months' tax "debt" by stepping up current income tax payments. In this way, 12 months' taxes could be paid in eight or ten months, and the "debt" would gradually be wiped out, after which taxes could again be spread over 12 months for each year. Mr. Moss is his own critic when he comments on the possibility that the bunching of tax payments might bring too heavy a burden. Publication of Mr. Moss's suggestion does not imply support for his thesis on the part of The Financial Post.**

GENERAL TRUST OF CANADA

112 St. James Street - MONTREAL

STATEMENT AS AT DECEMBER 31, 1942

ASSETS

| | |
|---|---|
| Capital Accounts: | |
| Total assets of the Company.... | $ 1,401,533.37 |
| Guaranteed Accounts.......... | 1,806,348.26 |
| Estate, Trust and Agency Accounts.................. | 49,571,179.14 |
| Safe Custody Account.......... | 39,673,541.07 |
| | 92,452,601.84 |

LIABILITIES

| | |
|---|---|
| Capital Account: | |
| Accounts payable................ | 20,200.12 |
| Reserves.................... | 67,435.83 |
| Profit and Loss Account........ | 208,897.42 |
| Capital Stock................ | 1,105,000.00 |
| Total................ | 1,401,533.37 |
| Guaranteed Accounts.......... | 1,806,348.26 |
| Estate, Trust and Agency Accounts.................. | 49,571,179.14 |
| Safe Custody Account.......... | 39,673,541.07 |
| | 92,452,601.84 |

PROFIT AND LOSS ACCOUNT

| | |
|---|---|
| BALANCE January 1st.......... | 206,268.66 |
| PLUS: | |
| Net Profit for the year.......... | 57,628.76 |
| | 263,897.42 |
| LESS: | |
| Dividends.................... | 55,000.00 |
| BALANCE, December 31st ...... | 208,897.42 |

Don't Procrastinate

It can happen here.
The Dominion Government
offers you Protection
against War Damage
at reasonable cost.

Consult your local
agent NOW about
War Risk Insurance.

EAGLE STAR
INSURANCE COMPANY LIMITED
OF LONDON, ENGLAND

Head Office for Canada:
TORONTO
Branch Offices: WINNIPEG, VANCOUVER

# Wood Supply Good Till 1943

### Canadian Newsprint Operators Tell Customers in U. S. Situation Better

From Our Own Correspondent

MONTREAL.—Three of the largest Canadian newsprint manufacturers are reported to have advised their American customers that, with the cutting season nearly completed, enough pulpwood is in sight to supply the present rate of consumption until June, 1944.

Scarcity of pulpwood has been advanced as a reason for curtailment of the use of newsprint. This latest development indicates a substantial improvement and contrasts with estimates made last December.

One of the Canadian companies in announcing its ability to maintain the present rate of production until June, 1944, said this conclusion had been reached in consultation with other manufacturers and their woods managers, and was based on new figures not available earlier.

The figures indicated a surplus of 600,000 cords as of June, 1944, not counting the wood to be brought out from the autumn and winter cutting seasons of 1943-44. This company said there may be unforeseen developments in the long range future, but it concluded that further curtailment of print and paper consumption should not be blamed on lack of pulpwood in Canada.

# Wants Return Of Labrador

### Godbout Asks King to Negotiate for Coastal Strip

From Our Own Correspondent

MONTREAL.—Labrador, with all its riches, is being sought by Quebec.

Premier Adelard Godbout has written Prime Minister Mackenzie King asking him to open negotiations with the governments of Great Britain and Newfoundland to return Labrador to Quebec.

"I believe Labrador is very important," Mr. Godbout said, pointing out that the strip of land on the province's northeast coastline is rich in minerals, fisheries and water power for electrical development.

Hamilton Falls in Labrador, he added, has a height of 760 feet compared with Niagara's 158 and has "great possibilities."

Labrador has an area of 110,000 square miles, along 1,500 miles of coastline, from Blanc Sablon on the south to Cape Chidley on the north. The present boundary was fixed in 1927 when the Privy Council ruled that the "Labrador coast," recognized as a part of Newfoundland, should extend back to the watershed of the rivers running into the Atlantic.

# C.N.R. Expenses Hold Down Net

For the first time in some months, the C. N. R. reports that in January operating expenses increased at a rate greater than the gain in operating revenue.

Compared with the returns for Jan., 1942, operating revenues were up $3.3 millions to $29.3 millions. Expenses increased nearly $4 millions, resulting in a net revenue of just under $4.5 millions or $684,398 less than a year ago.

| | January 1943 | January 1942 |
|---|---|---|
| Oper. revenue ...... | $29,278,000 | $25,967,000 |
| Oper. expenses ..... | 24,805,286 | 20,809,888 |
| Net revenue ......... | 4,472,714 | 5,157,112 |

**DIRECTOR**

*Joseph McDonough of Toronto has been elected a director of Capital Trust Corp. at the annual meeting in Ottawa. Mr. McDonough is also president of Madson Red Lake Gold Mines Ltd.*

# Committees Urge B.C. Steel Mill

### Propose Joint Stock Company to Finance Project

From Our Own Correspondent

VANCOUVER. — Committees in Vancouver have suggested formation of a joint stock company to finance a steel plant on the coast.

A rolling mill to handle scrap metal is considered to be feasible at this time, and might serve as a first unit for a fully-integrated and costlier plant to be built later.

During the five-year period preceding the war British Columbia exported nearly 200,000 tons of scrap steel, chiefly to Japan. This would have been sufficient to keep a $1 million mill in operation, producing bars, reinforcing rods, rods for manufacturing wire and nails, light angles and similar products essential to west coast industry.

Shipments of steel scrap to Japan were terminated, of course, some months before Pearl Harbor. Since then and until a few days ago all scrap has been shipped to eastern Canadian mills. Congestion of supplies in the east, suddenly developing, has halted the flow of metal and it is now accumulating on the coast—raw material for a rolling mill should a mill be established.

Scrap metal is accumulating all down the coast.

In the west coast states, as in British Columbia, there is growing intolerance of dependence on eastern mills for finished steel goods largely produced from scrap originating in the west.

The supply of scrap steel in British Columbia is indicated by the prewar export trend, as follows: Year ended March 31, 1935, 24,000 tons; 1936, 28,000 tons; 1937, 51,000 tons; 1938, 44,000 tons; 1939, 33,416 tons.

STAYING POWER

IT'S THE last lap that is important to the marathoner — the home stretch to the thoroughbred.

Years of preparation gave the lead to the enemies of freedom. But, organized co-operation has been developed by the United Nations and to-day the machinery of our war production is running smoothly.

Steadfastly and grimly the United Nations have now gained the lead.

GSW is playing an important part in this herculean effort. Its experience and facilities have been called on to supply innumerable items used for feeding and equipping the Armed Forces. This, together with a restricted supply of raw materials has caused some curtailment in production for domestic use. We appreciate the forbearance of our customers and look forward to the day of Victory when we can again supply all demands.

GSW QUALITY GOODS
GENERAL STEEL WARES
LIMITED
MONTREAL · TORONTO · LONDON · WINNIPEG · CALGARY · VANCOUVER

THE RED CROSS
NEEDS $10,000,000 NOW!

The war is gathering momentum. In step with every move in the struggle the Red Cross goes to help suffering humanity . . . ready to shield and comfort, to bind up the wounds. Much has been done. Much remains to be done. Every dollar you give, goes to carry on the great humanitarian work of the Red Cross. Give as much as you can. Whether it's big or small, it can't be TOO MUCH! Every dollar contributed is wisely dealt with and economically administered. All Red Cross accounts are subjected to scrutiny by the Auditor General of Canada.

How Your Money Will Be Spent

| | *Amounts* | *Percentage* |
|---|---|---|
| Food parcels for British and Canadian Prisoners of War in Europe.................... | $5,000,000 | |
| Food parcels for Canadian prisoners in the Far East......... | 500,000 | |
| Total.................... | $5,500,000 | 46.81 |
| Hospital supplies and merchandise purchases for comforts for armed forces and civilians | 3,000,000 | 25.53 |
| Disaster and Emergency, including help to Allied Red Cross Societies.................. | 1,250,000 | 10.64 |
| Blood Donor Service.......... | 250,000 | 2.13 |
| Other War Expenditures....... | 600,000 | 5.10 |
| Total War Services........ | $10,600,000 | 90.21 |
| Administration................ | 350,000 | 2.98 |
| Campaign and Publicity....... | 300,000 | 2.55 |
| Peace Time Requirements..... | 500,000 | 4.26 |
| | $11,750,000 | 100.00 |
| Less Available Funds.......... | 1,750,000 | |

Objective $10,000,000

CANADIAN RED CROSS WORK OVERSEAS

**20,000,000 articles of supplies** shipped overseas for the Armed Forces and suffering civilians: 300 ambulances and other motor vehicles; ***over 2,000,000 food parcels*** for our men in enemy prison camps.

**600-bed Military Hospital** in England built, furnished and fully equipped.

**36 Mobile Kitchen Units,** presented to Britain's Fire Fighters.

**Over 1,000,000 pounds** of jam and honey provided for British children.

**Patients in Military Hospitals** and the Armed Forces cheered by Red Cross "Visitors" and helped by Red Cross gifts of over 7,000,000 articles of supplies and comforts.

**Sailors' Comforts and Supplies,** warm clothing and survivors' dunnage bags, provided in millions.

**Enquiry Bureaus** in Britain and Canada organized to obtain information of relatives and friends who are missing, wounded, or prisoners-of-war.

AID FOR BRITISH RED CROSS

$215,000 contributed to British Red Cross War Relief, besides large quantities of materials and supplies.

14 Utilicon Vans donated for medical relief work.

AID FOR ALLIES

Aid for Russia includes value of goods and services up to $2,000,000.

Aid for China—$250,000.

Supplies and Comforts for Poland, Greece, Belgium, Jugoslavia, Czechoslovakia, Fighting French, Norway, Holland.

RED CROSS WORK IN CANADA

**100,000 Prisoners-of-war Food Parcels** packed per week, in 5 Red Cross Packing Depots.

**Red Cross Volunteer Blood Donor Service** has 37 Clinics and 2 Mobile Units in operation.

**Forces in Canada** given over 2,000,000 comforts and supplies; also cash grants made towards hostels.

**Canadian Red Cross Corps** of uniformed volunteer women has 4,300 members, 100 detachments.

**Extensive Peacetime Programme** was maintained, including Outpost Hospitals in frontier settlements.

**Junior Red Cross** membership of 857,156 has donated 6 ambulances, 14 mobile kitchens, 7 utilicons, 2 station wagons, 1 mobile canteen and endowed a bed at a Military Hospital. They also maintain 14 War Nurseries in England.

CANADIAN + RED CROSS

*GIVE—human suffering is greater than ever*

# THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

## Montreal and Toronto
Week ending Monday close

## Winnipeg and Vancouver
Week ending Saturday close

WEEK ENDING FEBRUARY 22

## Mining Stocks
Week Ending February 22

## Oil Stocks

## Volume of Stock Sales

| | Montreal Markets Indust. | Montreal Markets Mines | Toronto Markets Ind. & Mines | Vancouver Markets Ind. & Mines |
|---|---|---|---|---|
| Feb. 23 | 17,500 | 4,500 | 234,000 | ...... |
| Feb. 22 | 14,800 | 18,100 | 239,000 | 32,450 |
| Feb. 20 | 7,400 | 7,500 | 152,000 | 31,000 |
| Feb. 19 | 12,100 | 22,700 | 274,000 | 40,520 |
| Feb. 18 | 20,100 | 40,000 | 338,000 | 52,375 |
| Feb. 17 | 21,900 | 28,600 | 394,000 | 35,600 |

# STOCKS NOT TRADED THIS WEEK

## Oil Stocks

| | Div. rate | Last sale | Feb. 1 Bid | Ask |
|---|---|---|---|---|
| Amalgamated | §.04 | .15 | .10 | .16 |
| Federated Pete | §.01½ | .25 | .. | .. |
| Grease Creek | ... | .01 | .01½ | .. |
| Marvel Oils | ... | .04 | .01½ | .04 |
| Mill City | .03 | .09 | .06½ | .08 |
| Petrol Oil & Gas | ... | .25 | .. | .. |

§Paid in 1942.

## Corporation Bonds
(Supplied by Investment Dealers' Association of Canada)
February 23, 1943

| Public Utility Issues: | Int. Rate % | Due | Bid | Ask. | Bid |
|---|---|---|---|---|---|
| ▲Alg. Cen. H.B.R. | 5 | '59 | 27½ | 30 | 28½ |
| †Assoc. Tel. & T. | 5½ | '55 | 83½ | 86½ | 83½ |
| B. C. Power | 4½ | '60 | 101 | 103 | 101 |
| B. C. Tel. | 4½ | '61 | 108½ | 108½ | 106½ |
| †Calgary Pwr. | 5 | '60 | 110 | 112½ | 110 |
| Do. | 5 | '64 | 105 | 107½ | 105 |
| †Can. Nor. Pwr. | 5 | '53 | 104½ | 106½ | 103 |
| *Dom. Gas & El. | 6½ | '45 | 108½ | 110½ | 108½ |
| Gatineau Pwr. | 5 | '49 | 101½ | 103½ | 101½ |
| ●Do., A | 3¾ | '69 | 103½ | 105½ | 103½ |
| §Do., B | 3¾ | '69 | 101½ | 103½ | 101 |
| Gt. Lakes Pwr. | 4½ | '56 | 101½ | 103½ | 101½ |
| Do. | 5 | '57 | 99½ | 102 | 99½ |
| *Int. Hydro-El. | 6 | '44 | 54 | 57 | 54½ |
| ▲Inter. Power | 6 | '55 | 101 | .. | 101 |
| L. St. Law. Pwr. | 5 | '55 | 101 | 103 | 101 |
| Macl'n-Que. Pr. | 4 | '59 | 101½ | 103½ | 101½ |
| Mtl. L. H. & Pr. | 3½ | '56 | 103½ | 105½ | 104 |
| Do. | 3½ | '73 | 102½ | 104½ | 102½ |
| Do. | 3½ | '63 | 102½ | 104½ | 102½ |
| †Mtl. Tramways | 5 | '51 | 103½ | 105½ | 103 |
| †Do. | 5 | '55 | 87 | 90 | 87 |
| Nat. Lt. & Pwr. | 6 | '49 | 102 | .. | 102 |
| N. S. Lt. Pr. | 4 | '57 | 101½ | 103½ | 101½ |
| Ottawa L.H.&P. | 4 | '57 | 102½ | 104½ | 102½ |
| Ottawa V. Pwr. | 5 | '59 | 101½ | 103½ | 101½ |
| †Power Corp. | 4½ | '59 | 95 | 98 | 95 |
| Quebec Pwr. | 4 | '62 | 103 | 105 | 103 |
| ●Saguenay P., A | 4½ | '66 | 110 | 113 | 109 |
| §Do., B | 4½ | '66 | 107 | 110 | 106 |
| St. Maurice Pr. | 4½ | '70 | 103½ | 105½ | 103½ |
| Shaw. W. & Pr. | 4 | '61 | 105 | 107 | 105 |
| †Do. | 4½ | '70 | 112½ | 114½ | 112½ |
| Do. | 4 | '69 | 104½ | 106½ | 104½ |
| Union Gas | 4½ | '50 | 97 | 100 | 97 |
| ●Twin C. R. Tr. | 5½ | '52 | 94 | 97 | 94 |
| †United Secs. | 3 | '52 | 95 | 97 | 95 |
| ‡Wpg. El. ser. A. | 5 | '65 | 93 | 96 | 92½ |
| Do., B | 5 | '65 | 60 | 63 | 87 |
| **Industrial and Realty Issues:** | | | | | |
| †Abitibi P. & P. | 5 | '53 | 62 | 65 | 61 |
| Do., C.O.D. | 5 | '53 | 59½ | 62½ | 59½ |
| Acadia Sugar | 4½ | '55 | 100½ | 102½ | 100½ |
| Do. | 6 | '54 | 95½ | 98½ | 95½ |
| †Alta. Pa. Grain. | 6 | '46 | 105½ | 107½ | 105½ |
| Algoma Steel | 5 | '48 | 103 | 106 | 103 |
| Atlantic Sugar | 4 | '51 | 101½ | 103½ | 101½ |
| †B. C. Pulp & P. | 6 | '50 | 93 | 96 | 93 |
| ‡†Do. | 7 | '50 | 74½ | 78½ | 71½ |
| ●Brown Co. | 5 | '59 | 85 | 88 | 84½ |
| Burns & Co. | 5 | '58 | 80½ | 83½ | 81½ |
| Canada Cement | 4½ | '51 | 104 | 106 | 103½ |
| Canada Electric | 4½ | '65 | 97 | 100 | 97 |
| Can. Paper | 4½ | '52 | 99½ | 102½ | 99½ |
| Can. Steamship. | 5 | '57 | 103 | 105 | 103 |
| Can. Canners | 4 | '51 | 102½ | 104½ | 101½ |
| *Can. Int. Paper. | 6 | '49 | 107 | 108 | 107 |
| ‡Can. Locomotive | 6 | '53 | 102½ | 105½ | 102½ |
| ‡†Candn. Vickers | 6 | '47 | 98½ | 99 | 95½ |
| C.P.R. | 3½ | '51 | 98½ | 100½ | 98 |
| Do. | 4 | '49 | 102 | 104 | 102 |
| Col. Steamships | 6 | '54 | 101½ | 103½ | 101½ |
| †Consol. Paper | 5½ | '61 | 68 | 71 | 68½ |
| Dom. Coal | 4½ | '52 | 97½ | 100 | 97½ |
| Dom. Scott. Inv. | 4 | '52 | 100½ | 103½ | 100½ |
| Dom. Stl. & Co. | 6½ | '55 | 105½ | 108½ | 105½ |
| Dom. Tar | 4½ | '51 | 102½ | 104½ | 102½ |
| Dom. Woollens. | 6 | '53 | 98 | 100½ | 98 |
| †Donnacona Pap. | 4½ | '56 | 77½ | 80½ | 78 |
| *Dryden Pap. | 6 | '49 | 104 | 106 | 103½ |
| †East. Dairies | 6 | '49 | 90 | 93 | 87 |
| Famous Players | 4½ | '51 | 101½ | 104 | 101½ |
| †Federal Grain | 6 | '49 | 107 | 109 | 107 |
| †Fraser Cos. | 6 | '50 | 103 | 106 | 103 |
| Galt Brass | 5 | '50 | 96 | 99 | 96 |
| Gen. Stl. Wares | 4½ | '52 | 102 | 104 | 102 |

## Mining Stocks

## Annual Meetings

| 1943 | Company | Place |
|---|---|---|
| Feb. 26 | Bruck Silk Mills | Montreal |
| Feb. 26 | Canadian Bronze | Montreal |
| Mar. 2 | Sudbury Basin* | Toronto |
| Mar. 3 | Montreal Loan & Mtge. | Montreal |
| Mar. 4 | Brompton Pulp & P. | Montreal |
| Mar. 4 | Building Products | Montreal |
| Mar. 4 | St. Lawrence Corp. | Montreal |
| Mar. 4 | St. Law. Paper Mills | Montreal |
| Mar. 6 | Dom. Fabrics | Dunnville |
| Mar. 6 | General Steel Wares | Montreal |
| Mar. 8 | Tor. Mutual Life Ins. | Toronto |
| Mar. 10 | Woods Manf. | Montreal |
| Mar. 11 | Prudential Trust | Montreal |
| Mar. 15 | Petrol Oil & Gas Co. | Toronto |
| Mar. 29 | Canadian Breweries | Toronto |
| Apr. 1 | United Corporations | Montreal |
| Apr. 6 | Simpsons, Ltd. | Toronto |
| Apr. 20 | Asbestos Corp. | Montreal |
| Apr. 28 | Intnl. Nickel | Toronto |
| Apr. 28 | Western Grocers | Winnipeg |
| Apr. 29 | Montreal Tramways | Montreal |

*Special.

## Municipal Bonds

Feb. 23, 1943

| | % | Due | Bid | Ask | Yld. % |
|---|---|---|---|---|---|
| †Halifax | 5 | 1961 | 115.50 | 118.50 | 3.50 |
| Hamilton | 5 | 1950 | 110.00 | 113.00 | 2.99 |
| Montreal | 5 | 1945 | 96.00 | 99.00 | * |
| Ottawa | 4½ | 1945 | 104.00 | 105.50 | 2.15 |
| †Quebec | 5 | 1959 | 111.75 | 114.75 | 3.78 |
| Saint John | 5 | 1950 | 105.00 | 108.00 | 3.83 |
| †Toronto | 4½ | 1955 | 120.50 | 123.50 | 2.23 |
| †Vancouver | 5 | 1970 | 107.875 | 110.625 | 4.33 |
| Winnipeg | 5 | 1944 | 100.00 | 103.00 | 2.06 |

†Payable Can. & N.Y. *Flat.

## Corporation Bonds (Cont'd)

| | | | | | |
|---|---|---|---|---|---|
| *Gt. L. Paper | 5 | '55 | 93 | 96 | 93 |
| ●Gurney Fdry. | 5½ | '49 | 94½ | 97½ | 94 |
| †Gypsum Lime | 5½ | '48 | 103 | 105½ | 103 |
| Ham. By-Pr. C. | 5 | '55 | 101½ | 104 | 101½ |
| Do. | 6 | '56 | 101 | 103½ | 100½ |
| Ham. Cotton | 4½ | '50 | 100½ | 103½ | 100½ |
| Inter-City Bak. | 5½ | '48 | 102½ | 104½ | 102½ |
| Indust. Accept. | 4 | '52 | 89 | 92 | 88 |
| Ins. Ex. Bldg. | 3 | '51 | 55 | 58 | 55 |
| *Inter. P. Nfld. | 5 | '68 | 98 | 100 | 98 |
| *Inv. Bond & Sh. | 5 | '47 | 41 | 44 | 41 |
| †Kingston Elev. | 6 | '50 | 104½ | 107 | 104½ |
| Lake St. J. P. | 5½ | '61 | 86½ | 89½ | 87 |
| Do. | 5 | '61 | 63½ | 66½ | 64 |
| Legare | 6 | '61 | 93 | 96 | 93 |
| Maple L. M. | 3 | '58 | 96 | 98½ | 95½ |
| Man. Sugar | 5 | '60 | 103½ | 106½ | 103½ |
| Massey-Harris | 4½ | '54 | 98 | 100½ | 98 |
| McColl-Fron. | 4½ | '49 | 102 | 104 | 102 |
| McCormicks | 4 | '52 | 98½ | 101 | 99 |
| Do. | 4½ | '52 | 102 | 104 | 102½ |
| Mercury Mills | 5 | '59 | 98½ | 101½ | .. |
| Mersey Paper | 5 | '57 | 94 | 97 | 94 |
| †Do. | 6 | '49 | 94 | 97 | 94 |
| ●M. & O. Paper | 5 | '60 | 102 | 104 | 101½ |
| Moirs Ltd. | 6 | '53 | 76 | 80 | 76 |
| ‡Mtrl. Drydocks. | 6 | '48 | 91 | 94 | 92 |
| Montreal Apts. | 4 | '54 | 49 | 52 | 49 |
| Nat. Grocers | 4 | '47 | 102½ | .. | 101½ |
| N. S. Stl. Coal | 3½ | '63 | 84 | 87 | 84 |
| Price Bros. | 5 | '57 | 95 | 98 | 95 |
| Do. | 4 | '57 | 80 | 84 | 80 |
| *Prov. Paper | 5½ | '47 | 104 | 107 | 104 |
| Reliance Grain. | 4½ | '52 | 102 | 104½ | 102 |
| †Restigouche Co. | 6 | '48 | 103 | 106 | 102½ |
| Rolland Paper | 4½ | '51 | 101½ | 103½ | 101½ |
| Ruddy, E. L. | 6½ | '48 | 86 | .. | 86 |
| Silv. Dairies | 6 | '66 | 95 | 98 | 94½ |
| Simpsons, Ltd. | 4½ | '51 | 100½ | 103 | 101 |
| Smith, Howard. | 4½ | '51 | 102½ | 104½ | 102½ |
| Stand. Lime | 6 | '44 | 98½ | .. | 98½ |
| Sterling Coal | 6 | '45 | 99 | 101½ | 99 |
| Stop Shop | 3 | '47 | 63½ | .. | 63½ |
| United Amuse. | 5 | '56 | 100½ | .. | 100½ |
| United Corp. | 5 | '53 | 97 | 100 | 96 |
| *United Gas | 5½ | '48 | 105½ | 107½ | 105½ |
| United Gr. Grs. | 5 | '48 | 100½ | 102½ | 100½ |
| †Western Grain | 6 | '49 | 85 | 88 | 82½ |

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
●Payable in U. S.
§Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

## Supplementary Bond Quotations
(Supplied by Plaxton, Cherry & McDonnell, Toronto)
Month-end close and changes from Previous Month-end
Feb. 23, 1943

| Miscel. Corp. Utility $ Utility Bonds: | Bid | Ask. | Chge. |
|---|---|---|---|
| ‡Adel.-Peter, 6½%/48 | 41½ | 44½ | .. |
| *Adel.-Sheppard, 7%/48. | 24½ | 27 | +1½ |
| Albert Bay 5%/50 | 60 | 64 | +1 |
| Algoma Cent. 5%/59 | 27½ | 30 | +4½ |
| Alexandra Apts. 3%/55 | 53 | 56 | —1½ |
| Ancroft Place, 4%/56 | 46 | 49 | .. |
| *Annandale C. 6½% | 33 | 37 | .. |
| *Balfour Bldg. 3%/43 | 47 | 50 | .. |
| *Bay-Adelaide 6½%/47 | 23½ | 26 | .. |
| *Bay-Cumberl'd, 6½%/44. | 18½ | 21½ | .. |
| Bay-St. Albans, 4%/53 | 51½ | 54; | —2½ |
| Beach Fdry., 6%/45 | 83 | .. | .. |
| ‡Bloor-St. G. Rlty. 7%/46 | 50½ | 54 | +3 |
| Brantford Roof., 5%/59 | 82 | .. | +2 |
| Can. Machinery, 5%/54. | 99 | 102 | .. |
| Do., 6%/35 | 94½ | 98 | —2½ |
| ‡Clarendon Apts., 7%/46 | 25½ | 27½ | +1 |
| ‡Clarendon Props. 7%/47 | 25½ | 27½ | +1 |
| Dom. Square, 4%/59 | 63 | 65½ | +½ |
| Ellis Park, 4½%/45 | 65 | 68 | +1 |
| Gair Inc. Notes | 82½ | 86½ | +7½ |
| Gen. Brock Hotel 3%/54 | 37½ | 40½ | +½ |
| Godfrey Realty, 4%/52 | 54 | 57 | .. |
| Keefer Rlty., 5%/55 | 33 | 35 | +6 |
| Lombard Rlty., 2½%/51 | 26 | 29 | .. |
| *London Realty, 6½%/50. | 96 | 99 | .. |
| Lord Nelson Htl., 4%/47 | 52 | 54½ | +1 |
| Mayor Bldg., 3%/42 | 55½ | 58½ | +1 |
| Moodie, J. R., 6%/48 | 88 | 94½ | —7 |
| Nat. Utilities, 6%/48 | 58 | .. | .. |
| Ont. Building, 3%/43 | 42½ | 44½ | +1 |
| Prince Ed. Hotel 4%/47 | 37 | 40 | .. |
| ‡Prof. Offices, 7%/33-45. | 59 | 62 | .. |
| Richmond Bay, 6½%/47. | 97½ | 100½ | +½ |
| *Richmond Bldg., 7%/47. | 9 | 11 | —½ |
| *St. Cath. Stanley, 5%/57 | 60 | 62½ | .. |
| Staveley Apts., 2½%/49. | 62 | .. | .. |
| ‡Stk. Exch. Bldg., Vanc., 6%/44 | 45 | 48 | .. |
| Township Sandwich W. | 27 | 29½ | +1 |
| ‡Trinity Bldg., 4%/52 | 10 | 12 | .. |
| 200 St. Clair W., 4½%/58 | 53 | 56 | .. |
| ●Vanc. Georg. H. 6%/47 | 69 | .. | +13 |
| ‡Wel'nton Bldg., 6½% ser. | 62½ | 65½ | +1½ |
| ‡Wind. Court Apt., 6%/42 | 42 | 45½ | +½ |
| *York Adelaide, 7%/45 | 4 | 8 | .. |
| York St. Bldg., 6%/43 | 88½ | .. | +6 |

*Issue carries arrears of interest.
‡Currently paying on interest arrears.
●Payable U. S. funds only.

## Commodities

| | Latest week | Previous week | Same week last yr. |
|---|---|---|---|
| Cattle | $11.70 | $11.20 | $9.82 |
| Hogs | 16.82 | 16.80 | 15.08 |
| Copper, lb. | *.12 | .12 | .12 |
| Cotton, lb. | .2158 | .2143 | .2003 |
| Sugar, raw, lb. | *.0374 | .0374 | .0374 |
| Wheat, Man. (bu.) | .90½ | .90½ | .78¼ |
| Coffee, lb. | *.09⅜ | .09⅜ | .09⅜ |
| Hides | *.15½ | .15½ | .15½ |
| **Weekly Indices** | | | |
| U. S. Labor | 102.1 | 102.0 | 96.2 |
| Dow Jones (fut.) | 90.03 | 89.24 | 87.22 |
| Wood, Gundy | 79.5 | 79.3 | 76.7 |
| Fishers | 110.7 | 110.5 | 102.6 |
| **Monthly Indices** | | | |
| Canada (D.B.S.): | | | |
| Retail (Jan.) | 117.1 | 118.3 | 115.4 |
| W'sale (Jan.) | 96.9 | 97.0 | 94.3 |
| U S. (Nov.) | 100.3 | 100.0 | 92.5 |
| Gt. Brit. (Dec.) | 161.5 | 161.0 | 153.0 |

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto. Copper - electrolytic, New York. No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat — No. 1 Man. North., Ft. W.-Pt. A. basis. Cotton, raw, spot, N.Y.

*Ceiling prices fixed by the office of Price Administration.

## Government Bonds
(Supplied by Investment Dealers' Assoc. of Canada)

Feb. 23, 1943

| % | Due | Bid | Ask. |
|---|---|---|---|
| 2½ | June 1943 | 100¼ | 101 |
| 5 | Oct. 1943 | 102¼ | 103 |
| 2 | June 1944 | 100½ | 101½ |
| 1½ | Sept. 1944 | 99¾ | 100½ |
| a2½ | Jan. 1944 | 100½ | 101½ |
| 4½ | Oct. 1944 | 104½ | 105½ |
| 2½ | Nov. 1944 | 101½ | 102½ |
| a2½ | Aug. 1945 | 100½ | 101½ |
| 4 | Oct. 1945 | 101½ | 102½ |
| 2 | Mar. 1945 | 100½ | 101½ |
| 2 | Dec. 1946 | 99½ | 100½ |
| 4½ | Feb. 1946 | 106½ | 107½ |
| 2½ | Mar. 1948 | 99½ | 100½ |
| 1½ | May 1946 | 99½ | 100½ |
| a2½ | Jan. 1948 | 101 | 102 |
| 3½ | June 1949 | 102½ | 103½ |
| 3½ | Oct. 1949 | 102½ | 103½ |
| 3½ | Nov. 1951 | 102½ | 103½ |
| 3½ | Feb. 1952 | 103 | 104 |
| a5 | May 1952 | 100½ | 100½ |
| 4 | Oct. 1952 | 106½ | 107½ |
| a3 | June 1951 | 101½ | 102½ |
| 3 | Oct. 1952 | 100½ | 101½ |
| a3 | Jan. 1953 | 101½ | 102 |
| 3 | June 1955 | 99½ | 100½ |
| a3 | Nov. 1956 | 99½ | 100½ |
| 4½ | Nov. 1956 | 107 | 108 |
| 4½ | Nov. 1957 | 107½ | 108½ |
| a3 | Mar. 1954 | 100½ | 101½ |
| a3 | Jan. 1958 | 100½ | 101½ |
| 3 | June 1958 | 99½ | 100½ |
| 4½ | Nov. 1958 | 108½ | 109½ |
| 4½ | Nov. 1959 | 109½ | 110½ |
| a4 | Oct. 1960 | 107½ | 108½ |
| a3½ | Jan. 1961 | 102½ | ‡103½ |
| 3½ | June 1966 | 101½ | 102½ |
| a3e | Jan. 1967 | 99½ | ‡100½ |
| a3e | Nov. 1968 | 99½ | 100½ |
| †3 | Perpetual | 94½ | 95½ |
| **Dominion Guarant'd Bonds** | | | |
| **Can. Nat'l. Railways:** | | | |
| 2 | Feb. 1943 | 99½ | 100½ |
| 2½ | Jan. 1946 | 100½ | 101½ |
| 3 | May 1944 | 101½ | 102½ |
| 3 | Dec. 1950 | 100½ | 101½ |
| 3 | Jan. 1959 | 99½ | 100½ |
| *4½ | Sept. 1951 | 120½ | 122½ |
| *4½ | Feb. 1956 | 122½ | 124½ |

| % | Due | Bid | Ask. |
|---|---|---|---|
| 4½ | July 1957 | 123 | 124½ |
| 3 | Feb. 1953 | 99½ | 101 |
| 4½ | June 1955 | 124½ | 126 |
| 5 | Feb. 1954 | 117½ | 119 |
| *5e | July 1969 | 118½ | 120½ |
| *5e | Oct. 1969 | 125½ | 127½ |
| *5e | Feb. 1970 | 125½ | 127½ |
| **Can. Nat. W. Ind. S. S.:** | | | |
| 5 | Mar. 1955 | 126 | 127½ |
| **Grand Trunk Pacific Rly.:** | | | |
| 3 | Jan. 1962 | 105½ | 107 |
| **Provincial Gov't. Bonds** | | | |
| **New Brunswick:** | | | |
| 3 | Oct. 1951 | 95½ | 97½ |
| 3½ | Aug. 1949 | 97½ | 99½ |
| 3½ | June 1956 | 98½ | 99½ |
| c4 | Nov. 1947 | 110½ | 112½ |
| c4½ | Apr. 1961 | 113½ | 115½ |
| c5 | Jn. 1960 | 115½ | 117½ |
| **Nova Scotia:** | | | |
| 3 | Jan. 1952 | 98½ | 100½ |
| 3½ | June 1956 | 99½ | 101½ |
| 3½ | Nov. 1950 | 101½ | 103 |
| c4½ | Sept. 1952 | 114 | 116 |
| c4½ | Nov. 1960 | 116½ | 118½ |
| c5 | Mar. 1960 | 122½ | 124½ |
| **Ontario:** | | | |
| 2½ | May 1945 | 99½ | 101½ |
| 3 | Apr. 1948 | 100½ | 102 |
| 3 | Nov. 1950 | 99½ | 101 |
| 3½ | Nov. 1951 | 100½ | 102½ |
| 3½ | May 1955 | 100½ | 102½ |
| *4 | June 1962 | 117½ | 119½ |
| 4½ | June 1950 | 109½ | 110½ |
| *4½ | Jan. 1962 | 122½ | 124½ |
| 5 | Oct. 1948 | 109½ | 111½ |
| *5 | Dec. 1960 | 128½ | 130½ |
| 5½ | July 1946 | 108 | 109½ |
| **Ont. Hydro Commission:** | | | |
| 3 | Aug. 1948 | 100½ | 101½ |
| 3½ | Feb. 1953 | 100½ | 102½ |
| 3½ | Apr. 1947 | 102½ | 104½ |
| **Prince Edward Island:** | | | |
| 4 | Mar. 1954 | 101½ | 103½ |
| **Quebec:** | | | |
| 3 | Nov. 1947 | 99½ | 101 |
| 3½ | Mar. 1948 | 100 | 101½ |

| % | Due | Bid | Ask. |
|---|---|---|---|
| 3½ | Mar. 1959 | 99 | 100½ |
| 4 | Nov. 1952 | 103 | 104½ |
| 3½ | Feb. 1955 | 101 | 102½ |
| 4½ | Aug. 1958 | 106½ | 108 |
| 4½ | Jan. 1963 | 110 | 112 |
| **Alberta:** | | | |
| 4½ | Oct. 1956 | 76½ | 79½ |
| 4 | Dec. 1954 | 74½ | 77½ |
| *5 | Oct. 1959 | 77½ | 80½ |
| c5½ | Apr. 1952 | 78 | 81 |
| 6 | Mar. 1947 | 78½ | 81½ |
| **British Columbia:** | | | |
| 4 | Dec. 1957 | 112½ | 114½ |
| *4½ | Jan. 1951 | 114½ | 116½ |
| c4½ | Oct. 1953 | 114½ | 116½ |
| c5 | Apr. 1954 | 119 | 121 |
| 3½ | Feb. 1945 | 103½ | 105½ |
| 6 | Feb. 1947 | 109½ | 110½ |
| **Manitoba:** | | | |
| c4 | Dec. 1957 | 105½ | 107½ |
| c4½ | Dec. 1956 | 109½ | 112 |
| *5 | Dec. 1959 | 113½ | 116½ |
| 5½ | Oct. 1955 | 112½ | 114½ |
| 6 | Apr. 1947 | 107½ | 108½ |
| **Saskatchewan:** | | | |
| 4 | Sept. 1954 | 87½ | [illegible] |
| 4 | Nov. 1960 | 86½ | [illegible] |
| c4½ | Oct. 1951 | 97½ | [illegible] |
| c4½ | Mar. 1960 | 92½ | [illegible] |
| 5 | Aug. 1958 | 96½ | [illegible] |
| *5½ | Oct. 1952 | 97½ | [illegible] |
| 6 | Mar. 1952 | 99½ | 101 |

*-Payable Can., N.Y., £. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. §-Calculated to 1950 average maturity. s-Callable on or after earliest maturity shown and payable at maturity at 101.

## Unlisted Stocks
(Furnished by A. J. Pattison Jr. & Co., Toronto)

Feb. 23, 1943

| Industrial: | Bid | Ask. |
|---|---|---|
| Acme Farm., pf. | 69 | 75 |
| Andian National. | 21 | 22 |
| Anglo C. Tel., A | 8½ | 9 |
| Atlas Steels, c. | 21½ | 23 |
| Do., pref. | 105 | 108 |
| B. C. Pulp, c | 10 | 11 |
| Do., pfd | 83½ | 86½ |
| Barrymore Cl. p. | 42½ | .. |
| B. C. Sugar | 71 | .. |
| B. C. Tel. p. | 102 | .. |
| Brown, com. | 1½ | 2½ |
| Do., pfd | 29½ | 32½ |
| Burns & Co., A. | 7 | 8½ |
| Do., B. | 4 | 5½ |
| Can. Indust. A. | 161 | 165 |
| Can. Co-op. Wool | 8½ | 9½ |
| Can. Mach., c. | 8½ | 9½ |
| Can. Ing. Rand | 66 | .. |
| Can. Mot. L.A.B. | 7 | 8 |
| Cap. W. Cloth | 5½ | .. |
| Do., pref. | 18½ | 21½ |
| Col. Realty | 2½ | .. |
| Chase, A. W., p. | 16 | 18½ |
| Colonial Steam. | 52 | 55 |
| Copeland F. un. | 15 | 17½ |
| Det. Int. Bridge | 4½ | 5½ |
| Dunlop T. p. $25 | 21 | .. |
| East. Steel, p. | 20 | 22 |
| Easy Wash., p. $10 | 8½ | 10½ |
| Fed. Grain, com. | 1½ | 2½ |
| Do., pref. | 73 | 78 |
| Galt Brass, c. | 9½ | 12 |
| Goderich Elev. | 8½ | 10½ |
| Guard. Realty, p. | 17 | 20½ |
| Guelph Carpet, c. | 13 | 16 |
| Gurney Fdy., p. | 1½ | 2½ |
| Hart Battery | 5½ | .. |
| Hayes Steel, c. | 13½ | 14½ |
| High. Dairy, pf. | .. | 45 |
| Inglis, John | 6 | 7½ |
| Ingram & Bell, p. | 80 | .. |
| Kingst. Ship., c. | 12½ | 14 |
| Loblaw Inc., c. | 12½ | 13½ |
| Minn. & Ont. p. c. | 4½ | 5½ |
| Mt. Royal Htl. c. | 3 | 4 |
| M'row Screw, p. | 100 | 103½ |
| Do., com. | 14 | 16 |

| | Bid | Ask. |
|---|---|---|
| Morrison Br. un. | 6 | 7 |
| Murphy Paint, p. | 94 | 98 |
| Neilson, Wm., c. | 10 | .. |
| Neilson, Wm., p. | 101 | .. |
| N. Meth. Ldy. p. | 74 | .. |
| Ont. Tobacco, p. | 16½ | 19 |
| Prov. Paper, p. | 93 | 97 |
| Quinte Milk | 3½ | 4 |
| Rel. Grain | 11 | .. |
| Do., pref. | 90 | .. |
| Robertson, P. L. | 305 | .. |
| Stand. Fuel. p. | 51½ | 54½ |
| Stedman, pf. $50 | 55 | 58 |
| River. Silk. B | 2½ | .. |
| Sutton Horsley | 1 | 1½ |
| Tor. Carpet, c. | 65 | .. |
| Do., pref. | 66 | 70 |
| Un. F. Co.-op. | 4 | 6 |
| Un. Steel, A, pf. | 23½ | 24½ |
| Viceroy Mfg., c. | 12½ | .. |
| Do., pref. | 20 | 23 |
| Waterloo Mfg. | 4 | .. |
| West. Grain. un. | 20 | .. |
| **Trust & Loan Stocks:** | | |
| British Mtge. | 116 | 127 |
| Brockville Tr. | 44 | .. |
| Cap. Trust | 28½ | 32½ |
| Comm. Fin., c. | 6 | .. |
| Grey B. Tr. $50 | 45 | .. |
| Guaranty Trust | 100½ | 103 |
| Guelph & O. $50 | 46½ | 52½ |
| Indust. Mtge. | 25 | 28 |
| Lambton Loan | 34 | .. |
| Lon. & W. Trust | 33 | 38 |
| Midland Loan | 14 | 16 |
| Premier Trust | 27 | .. |
| Sherbrooke Tr. | 120 | .. |
| Sterling Trust | 55 | .. |
| Trusts & Guar. | 31 | 36 |
| Victoria Trust | 63 | 66 |
| Waterloo Trust | 100 | .. |
| **Investment Trust Shares:** | | |
| Inv. Found. un. | 41 | 43 |
| Sec's. Hold., pf. | 17 | 19½ |
| Th. Can. Inv. Tr. | 1½ | 2 |

| Insurance Stocks: | Bid | Ask. |
|---|---|---|
| Brit. Amer. | 51 | [illegible] |
| Canada Life | 330 | [illegible] |
| Canadian Fire | 71 | [illegible] |
| Confed. 30% pd. | 125 | [illegible] |
| Cons. Fire | 31 | .. |
| Continental L. | 31 | [illegible] |
| Crown Life | 255 | 270 |
| Dominion Fire | 134 | [illegible] |
| D. of Can. Gen. | 122½ | .. |
| Dom. Life | 175 | [illegible] |
| Empire, 25% pd. | 5½ | [illegible] |
| Excelsior 40% pd. | 72 | [illegible] |
| Fed. Fire 25% pd. | 54 | [illegible] |
| Great-West Life | 217 | [illegible] |
| Halifax Fire | 14½ | [illegible] |
| Imperial Life | 240 | [illegible] |
| Manufac. Life | 215 | [illegible] |
| Monarch Life | 32 | [illegible] |
| National Life | 8 | [illegible] |
| Sov. L. 25% pd. | 12 | .. |
| Sun Life | 290 | 315 |
| Tor. General | 41 | [illegible] |
| Wellington Fire | 58½ | .. |
| Western Assce. | 37 | [illegible] |
| Do., pref. | 41 | [illegible] |
| Western Life | 12 | [illegible] |
| **Theatre Stocks:** | | |
| Allen's St. Cath. units | 56 | [illegible] |
| Do., Kingston | 64½ | 67 |
| Do., Toronto, p. | 36 | [illegible] |
| Loew's Lond., p. | 7½ | [illegible] |
| Mansf. Theat. p. | 61 | .. |
| Para. Kitch. p. | 50 | .. |
| Do., Oshawa, c. | 9 | [illegible] |
| Do., Oshawa, p. | 83 | .. |
| **Power Issues:** | | |
| Can. W. N. Gas | 27 | .. |
| Do., pfd. | 103 | [illegible] |
| Gt. Lakes Pr., p. | 100 | [illegible] |
| Int. Util. $1.75 p. | 10 | .. |
| Do., $3.50 p. | 30 | .. |
| Mtl. Is. Pwr. p. | 43 | .. |

## Unlisted Mines
Toronto, Feb. 23, 1943

| | Bid | Ask |
|---|---|---|
| Adnaron | .31 | .34 |
| Albany R (old) | .01½ | .04 |
| (new) | .06 | .08 |
| Amal Kirk | .06½ | .07½ |
| Anoki | .02½ | .03 |
| Arno | .02½ | .03½ |
| Arjon | .14 | .14½ |
| Armistice | .33 | .37 |
| Athona | .00½ | .01½ |
| Bayshore | .24 | .26 |
| Area | .07 | .08 |
| Arntfield | .01 | .02 |
| Barb Lard | .03½ | .05 |
| Brock | .06 | .07 |
| Clift Con | .29 | .32 |
| Can Rad | .03 | .05 |
| Cent Man | .02 | .03 |
| Cheminis | .03½ | .04 |
| Columb | .24 | .26 |
| Cons Chib | .06 | .09 |

| | Bid | Ask |
|---|---|---|
| De Santis | .04½ | .06 |
| Dona Pat | .01½ | .02½ |
| Eastward | .08 | .10 |
| Gunflint | .20 | .23 |
| Goodrock | .09 | .11½ |
| Hayes Cad | .02½ | .03 |
| Hoyle (new) | .10½ | .12 |
| Hugh P P | .04 | .04½ |
| Kirk Tow | .09 | .13 |
| Lacoma | .00½ | .01 |
| Laguerre | .08 | .12 |
| Lk Geneva | .06 | .08 |
| Largold | .14 | .16 |
| Low Pete | .42 | .47 |
| Magnet C | .28 | .33 |
| Midwest | .26 | .29 |
| Majmica | .38 | .41 |
| Martin B | .04½ | .05 |
| Mat Can | .01½ | .04 |
| Mat Cons | .11 | ... |

| | Bid | Ask |
|---|---|---|
| McMarm | .11 | .13 |
| Moffatt H | .02 | .03 |
| Mosher | .06 | .08 |
| McManus | .01 | .02 |
| Naybob | .01 | .02 |
| Nat Mal | .22 | .24 |
| Newbec | .01½ | .02 |
| Nick Off | .75 | 1.00 |
| Norbeau | .22 | .27 |
| North Tin | .14 | .15 |
| N Ribago | .00½ | .01 |
| Oklend | .04 | .05 |
| O'Lea Mal | .04 | .05 |
| Opemiska | .05 | .09 |
| Orpit | .02½ | .03½ |
| Pascalis | .22 | .25 |
| Pelangio | .03½ | .04½ |
| Pontiac R (old) | .03 | .05 |
| Prop'ary | 5.50 | 6.00 |
| Port Cold | .27 | .30 |

| | Bid | Ask |
|---|---|---|
| Presdor | .02½ | .03½ |
| Que Man | .19 | .21 |
| Rand Mal | .14 | .17 |
| Rebair | .37 | .40 |
| Ritoria | .03 | .04 |
| Rhyolite | .01 | .02 |
| S.A.G.A. | .15 | [illegible] |
| Rou D'Or | .10 | .12 |
| Sheldon | .12 | .13½ |
| Springer | .20 | .23 |
| Stadacona | .08 | .. |
| Tombill | .05 | .10 |
| Tungold | .14 | .16 |
| Tomah'k | .61 | [illegible] |
| Thom Lk | .13 | [illegible] |
| Uchi | .01 | [illegible] |
| Union Min | .04 | .05 |
| Wesley | .03 | .03½ |
| Young D | .19 | .22 |
| Vic Ore | .16 | .18 |

## OIL ROYALTIES
### Producing Wells — Prices and Payments

| | Feb. daily quota bbls. | Jan. daily quota bbls‡ | Oct. pay. 1% $ | Nov. pay. 1% $ | Dec. pay. 1% $ | Total to Dec. 31 1% $ | Offering price* per 1% $ |
|---|---|---|---|---|---|---|---|
| Ace No. 1 gross | 465 | 490 | 197.47 | 225.33 | 195.46 | 4,193.93 | .... |
| Alta. Oil Inc. No. 1 gr. | 88 | 95 | 18.80 | 52.40 | 42.40 | 3,612.00 | 1,700 |
| Do., No. 1 net | 88 | 95 | 22.00 | 42.40 | 33.60 | 4,092.80 | .... |
| Do., No. 2 gr. | 380 | 400 | 161.20 | 185.40 | 198.00 | 4,390.00 | 7,000 |
| Do., No. 2 net | 380 | 400 | 107.60 | 131.20 | 137.20 | 6,051.40 | 4,000 |
| Allied No. 1 pfd. | 93 | 100 | 41.00 | 34.74 | 41.60 | 1,527.94 | 1,300 |
| Arrow No. 1 net | 135 | 135 | 33.97 | 35.00 | 39.00 | 807.15 | 1,300 |
| Do., No. 2 net | 170 | 190 | 54.00 | 53.00 | 50.00 | 1,560.20 | 1,900 |
| Atlas-Br. D. No. 2 pfd. | 490 | 450 | 224.80 | 221.20 | 204.40 | 2,473.20 | 7,000 |
| Atlas-Br. D. No. 3 pfd. | 500 | 700 | .... | .... | .... | .... | 7,500 |
| D. & D. net pfd. | 75 | 75 | 32.00 | 28.00 | 28.00 | 1,865.80 | 1,000 |
| East Crest No. 5 | 125 | 135 | 49.20 | 50.00 | 48.00 | 384.40 | 1,800 |
| Independent No. 1 p. | 200 | 200 | 107.37 | .... | 99.79 | .... | 3,200 |
| Do., No. 1 gr. | 200 | 200 | 97.49 | 93.97 | 85.03 | 2,219.18 | .... |
| Major Oil No. 1 pfd. | 104 | 120 | 30.80 | 47.20 | 35.20 | 703.20 | 1,300 |
| Do., No. 1 gr. | 104 | 120 | 41.20 | 49.50 | 43.60 | 1,607.00 | .... |
| Do., No. 2 net | 450 | 500 | 156.80 | 164.00 | 165.60 | 4,663.60 | 3,200 |
| Do., No. 2 gr. | 450 | 500 | 233.20 | 223.20 | 236.00 | 6,052.80 | .... |
| Do., No. 3 net | 733 | 820 | 248.40 | 246.80 | 256.40 | 6,246.80 | .... |
| Do., No. 3 gr. | 733 | 800 | .... | 356.00 | 352.00 | .... | .... |
| Do., No. 4 net | 125 | 140 | 106.00 | 48.00 | 61.60 | 2,158.80 | .... |
| Do., No. 4 gr. | 125 | 140 | 99.20 | 62.80 | 50.00 | 3,446.40 | .... |
| Do., No. 7 pfd. | 500 | 500 | 264.80 | 275.00 | 246.40 | 786.80 | 6,700 |
| Do., No. 7 dfd. | 500 | 500 | .... | .... | .... | .... | 3,900 |
| Do., No. 7 gr. | 500 | 500 | 280.00 | 261.60 | 216.40 | 1,502.80 | .... |
| Do., No. 8 pfd. | 315 | 325 | .... | 146.80 | 148.40 | 295.20 | 3,900 |
| Do., No. 8 gr. | 315 | 325 | 152.40 | 132.80 | 130.00 | 791.20 | .... |
| Do., No. 8 dfd. | 315 | 325 | .... | .... | .... | .... | 1,600 |
| Do., No. 9 gr. | 350 | 350 | 153.20 | 153.60 | 151.60 | 1,166.20 | .... |
| Do., No. 9 pfd. | 350 | 350 | .... | .... | .... | .... | 5,200 |
| Do., No. 9 dfd. | 350 | 350 | .... | .... | .... | .... | 2,000 |
| Miracle No. 1 net | 355 | 385 | 119.75 | 121.54 | 96.04 | 4,800.63 | .... |
| Do., No. 1 gr | 355 | 385 | 174.00 | 180.80 | 101.74 | 4,808.34 | .... |
| Do., No. 2 pfd. | 220 | 220 | 125.26 | 141.16 | 156.19 | 1,447.57 | 3,200 |
| Do., No. 2 gr. | 220 | 220 | 110.80 | 120.40 | 137.40 | 980.12 | 4,500 |
| Renown No. 1 pfd. | 85 | 90 | 28.59 | 39.69 | 37.04 | 289.34 | .... |
| Winalta No. 1 pfd. | 80 | 80 | 26.89 | 21.20 | 27.60 | 3,489.10 | 900 |

*Approximately 25% over dealers' bid prices.
‡Approximate. †To Nov. 30 only.

### Drilling Wells — Prices and Depths

| Well: | Drilling depth ft. | Offering price per 1% |
|---|---|---|
| Bonaventure pfd. | 8,861 | $3,000 |
| Bonaventure gross | 8,861 | 6,500 |
| Maryland pfd. | 6,641 | *4,375 |
| Major Oil No. 6 pfd. | 8,022 | 5,200 |
| Major Oil No. 6 gr. | 8,022 | .... |
| Miracle No. 3 pfd. | 8,250 | 5,300 |
| Miracle No. 3 gr. | 8,250 | 7,800 |
| Northclonmel No. 1 pfd. | 8,850 | 4,500 |
| Northclonmel No. 1 dfd. | 8,850 | 2,000 |
| Northclonmel No. 1 gr. | 8,850 | 7,200 |

| Well: | Drilling depth ft. | Offering price per 1% |
|---|---|---|
| Northend No. 1 pfd. | 8,949 | 2,600 |
| Northend No. 1 dfd. | 8,949 | 1,100 |
| Northend No. 1 gr. | 8,949 | 4,200 |
| Northend No. 2 pfd. | 6,450 | .... |
| Northend No. 2 gr. | 6,450 | .... |
| National Vulcan No. 1 | 7,185 | *4,375 |
| Empire pfd. (Ont.)† | .... | *1,100 |
| Hi-Test Pet. pfd.† | .... | *3,000 |
| Kinsella Ltd.† | .... | *2,100 |

*Pegged price. †Acreage royalty.

## Supplementary Stock Quotations
(Furnished by Plaxton, Cherry & McDonnell, Toronto)
Showing Bid and Asked at Feb. 23 and changes in bids from previous week.

| Miscellaneous Stocks: | Bid | Ask. | Chge. |
|---|---|---|---|
| Allens Lond. Thea., pfd. | 53 | 56 | .. |
| Atlas Steels 7% 2nd p. | 106 | 107½ | +1 |
| Brantford Roofing, c. | 2½ | 3½ | .. |
| *Can. Gen. Rubber. pfd. | .. | 21 | .. |
| C.P.R. 4% p. | 2½ | 3 | .. |
| Can. Paving, 1st pfd. | 1½ | 2½ | +½ |
| Can. Tea 7% pref. | 29½ | .. | +½ |
| Can. West. Lumber, c. | .20 | .35 | .. |
| Cawthra Apts., pref. | 2½ | 3½ | .. |
| Claude Neon, 7% pref. | 2 | 3 | .. |
| Commer. Life, 10% pd. | 6½ | 8 | .. |
| Copland Brewing | .90 | .. | .. |
| Dom. Life, 70% pd. | 178 | 205 | .. |
| Dover Industries | 7½ | .. | .. |
| Dubuisson Gold | .14½ | .18 | —1½c |
| Federal Fdries. com. | .20 | .25 | +5c |
| †Ft. Wm. Hotel units | .. | 45 | .. |
| Indust. Accept., 5% pf. | 77½ | .. | +2½ |
| Insce. Exch. Bldg., com | 1 | 1½ | .. |
| Loew's London Th., pf. | 7½ | 8 | .. |
| Medical Arts com. | 76 | 83 | .. |
| Milton Brick, com. | .15 | .. | +5c |
| Mont. Deb. Corp., pref. | 2 | 3½ | .. |
| Murphy Paint. com. | 11½ | 12½ | +1 |
| Muskoka Lakes Navg'n. | 11 | .. | .. |
| Nat. Hosiery, com. | .90 | 1.30 | +5c |
| Do., pref. | .85 | 1.20 | .. |
| †Nor. Amer. Elev. 1st pf. | 85 | .. | .. |
| *Do., 2nd pfd. | 29 | .. | .. |
| Do., com. | .. | 1 | .. |
| Que. Pulp & Paper, p. | 25½ | 27 | —1 |
| P. L. Robertson pref. | 41.50 | .. | .. |
| Do., New com. | 13.75 | .. | +½ |
| Sawyer Massey, com. | .20 | .25 | .. |
| St. John Dry D. 5½% pf. | 96 | 99 | .. |
| Sincennes McN., com. | 3 | .. | +½ |
| Supertest Pete., 6% pf. | 26½ | 30 | .. |
| Tip Top Tailors Inc. un. | 5½ | 7 | .. |
| West. Can. Hydro, pf. | 11½ | 12½ | +½ |
| Western Life, 20% pd. | 11½ | 13½ | .. |
| Windsor Hotel, com. | 2½ | 3½ | .. |
| Woods Manfg., com. | 5 | 6½ | +2 |

*Issue carries arrears.
†Currently paying on arrears.

## Bond Redemptions

| Bond Issues: | Rate | Year | Due | Price |
|---|---|---|---|---|
| Atlantic Sugar* | 4% | 1951 | Mar. 1 | 102 |
| Ritchie Cut Stone | 6½% | 1948 | Mar. 1 | 102 |
| Inter. Paper, A | †6% | 1955 | Mar. 1 | 105 |
| N. S. Lt. & Pr. | ‡4% | 1957 | Mar. 1 | 103½ |
| West Koot. Pr. | 4% | 1956 | Mar. 1 | 103 |
| Nat. Light & Pr. | ▲6% | 1949 | Apr. 1 | 102 |
| Victoriaville Furn. | 6% | 1951 | Apr. 1 | 102 |
| Nat. Grocers | ●4% | 1947 | Apr. 1 | 102½ |
| Saguenay Pr. | *4½ | 1966 | Apr. 1 | 102 |

*$22,000. †$443,500. ‡$38,500. ▲A & B. ●$500,000. *$36,000.

| Stock Issues: | Rate | Year | Due | Price |
|---|---|---|---|---|
| Para. Pict. | 6% | 1st pf. | Apr. 1 | part |
| Can. For. Inv.* | ‡8% | Pref. | Apr. 1 | 105 |

†Plus accrued dividend. Conversion feature on stock to be redeemed expires March 18.
‡Subject to approval FECB. *1,800 sh.

## Bond Tenders

Feb. 25, Canada Treasury Bills—$55,000,000, dated Feb. 26, payable May 28, 1943.

## Investment Trusts

| | Bid | Asked |
|---|---|---|
| Affiliated Funds | 2.51 | 2.75 |
| Can. Int. Trust | 4.25 | 4.75 |
| Can. Invest. Fund | 3.50 | 3.85 |
| Can. Investors | 5.00 | .... |
| Corp Investors | 5.80 | 6.30 |
| Trans-Canada | 10.20 | 11.10 |

**Vermilata Oils** is reported to have acquired a 50% interest in a cobalt-silver-nickel property known as Bellayre Mineral Interests Ltd., adjoining the Keeley and Frontier silver mines. A mining plant is to be taken in to the new property, it is reported.

## Dividends Declared

| | This payment $ | Date payable | Date of record |
|---|---|---|---|
| Agnew Surpass | .40 | Mar. 1 | Feb. 15 |
| Do., pref. | 1.75 | Apr. 1 | Mar. 15 |
| Aluminum | 2 | Mar. 5 | Feb. 17 |
| Do., pref.† | 1.50 | Mar. 1 | Feb. 10 |
| Asbestos Corp. | .20 | Mar. 30 | Mar. 1 |
| Do., bonus | .10 | Mar. 30 | Mar. 1 |
| Aunor Gold | .04 | Mar. 1 | Feb. 13 |
| Ang. Can. Tele. A. | .15 | Mar. 1 | Feb. 15 |
| Amer. Cyan. A. B. | †15 | Apr. 1 | Mar. 1 |
| Do., pref. | †.12½ | Apr. 1 | Mar. 1 |
| Bk. Nova Scotia | 2.50 | Apr. 1 | Mar. 16 |
| Barber-Ellis | .12½ | Mar. 15 | Feb. 27 |
| Bright, T. G., pfd. | 1.50 | Mar. 15 | Feb. 27 |
| Bk. Can. Nationale | 1.50 | Mar. 1 | Feb. 15 |
| Bank of Toronto | 2.50 | Mar. 1 | Feb. 15 |
| Bank of Montreal | 1.50 | Mar. 1 | Jan. 30 |
| Belding Cort., c. | *2 | Mar. 1 | Feb. 15 |
| Belding Cort. | 1 | Apr. 1 | Mar. 15 |
| Do., pref. | 1.75 | Apr. 1 | Mar. 15 |
| Berens River | .03 | Mar. 10 | Feb. 19 |
| Bathurst Pr. & P. A | .25 | Mar. 1 | Feb. 5 |
| B. C. Packers | .75 | Mar. 15 | Feb. 27 |
| Borden Co. | †.30 | Mar. 1 | Feb. 15 |
| Bruck Silk | ▪.10 | Mar. 15 | Feb. 27 |
| Can. Cr. Stone | .10 | Mar. 15 | Feb. 26 |
| Can. Foundries, A | .37½ | Mar. 20 | Mar. 1 |
| Can. Int. Inv. Tr., pf. | ▪.50 | Mar. 1 | Feb. 15 |
| Can. Dom. Sugar | ▪.20 | Mar. 1 | Feb. 15 |
| Canada Dry | †.15 | Mar. 9 | Feb. 24 |
| Can. Canners | .12½ | Apr. 1 | Mar. 15 |
| Do., 1st pref. | .25+.05‡ | Apr. 1 | Mar. 15 |
| Do., 2nd pref. | .15+.05‡ | Apr. 1 | Mar. 15 |
| Canada Bud | .10 | Apr. 1 | Mar. 15 |
| Canadian Car, pfd. | .44 | Apr. 10 | Mar. 20 |
| Can. Nor. Power | .15 | Apr. 26 | Mar. 19 |
| Do., pref. | 1.75 | Apr. 15 | Mar. 19 |
| Can. Wire & Cable A | 1 | Mar. 15 | Feb. 28 |
| Do., (B) | .25 | Mar. 15 | Feb. 28 |
| Do., pref. | 1.62½ | Mar. 15 | Feb. 28 |
| Canada Vinegars | .10 | Mar. 1 | Feb. 13 |
| Can. For. Invest. pfd. | ▪2 | Apr. 1 | Mar. 1 |
| Can. Tube&Stl. pd. | ▪1.75 | Mar. 31 | Mar. 24 |
| Can. Breweries, pf. | .85 | Apr. 1 | Feb. 27 |
| Can. Celan. Inc. rts. | 1 | Mar. 15 | Dec. 31 |
| Can. Converters | .50 | Apr. 30 | Mar. 15 |
| Cockshutt Plow | .25 | June 1 | May 15 |
| Corr. Pap. Box, pf. | 1.75 | Mar. 1 | Feb. 15 |
| Corr. Paper Box, p. | 1.75 | Mar. 1 | Feb. 15 |
| Can. Bakeries, pfd. | 1.25 | Mar. 1 | Feb. 15 |
| Can. For. Inv., pd. | ▪2 | Apr. 1 | Mar. 1 |
| Canada Malting | .50 | Mar. 15 | Feb. 27 |
| Can. Perm. Mtge. | 2 | Apr. 1 | Mar. 15 |
| Can. Gen. Elect. | 2 | Apr. 1 | Mar. 12 |
| Can. Indust. A B | 1.25 | Apr. 30 | Mar. 31 |
| Do., pref. | 1.75 | Apr. 15 | Mar. 31 |
| Cons. Sand. pref. | 4 | Mar. 30 | Feb. 27 |
| Cent. Pat. Gold | .03 | Mar. 29 | Feb. 27 |
| Chesterville L. L. | .03 | Apr. 15 | Mar. 10 |
| Canada Packers | 1 | Apr. 1 | Mar. 15 |
| de Havilland, p. | 1.75+1.75 | Mar. 5 | Mar. 1 |
| Dom. Textile | 1.25 | Apr. 1 | Mar. 5 |
| Do., pref. | 1.75 | Apr. 15 | Mar. 15 |
| Dover Industries | .20 | Mar. 1 | Feb. 15 |
| Dom. Envelope, pfd. | 1.75 | Mar. 1 | Feb. 20 |
| Dominion Stores | .10 | Mar. 20 | Feb. 22 |
| Distillers Seag. | .55½ | Mar. 15 | Mar. 1 |
| Do., pref. | †1.25 | May 1 | Apr. 15 |
| Dairy Corp., pfd. | •1.25 | Apr. 1 | Mar. 15 |
| Dome Mines | ▪.40 | Apr. 20 | Mar. 19 |
| Dom. & Anglo Inv. p | 1.25 | Mar. 1 | Feb. 15 |
| Dom. Scot. Inv., pfd. | .50 | Mar. 1 | Feb. 22 |
| Dom. Foundries, pf. | 1.50 | Mar. 1 | Feb. 20 |
| Eastern Steel | .25 | Mar. 1 | Feb. 15 |
| Econ. Inv. Tr. | 1.27½ | Apr. 1 | Mar. 1 |
| Famous Players | .25 | Mar. 1 | Feb. 15 |
| Granby Cons. | †.15 | Mar. 1 | Feb. 11 |
| Gatineau Pwr. | .15 | Mar. 31 | Mar. 1 |
| Do., 5% pref. | 1.25 | Apr. 1 | Mar. 1 |
| Do., 5½% pref. | 1.37 | Apr. 1 | Mar. 1 |
| Greening Wire | .15 | Apr. 1 | Mar. 1 |
| Honey Dew | .50 | Apr. 1 | Mar. 15 |
| Hallnor Mines | .10 | Mar. 1 | Feb. 13 |
| Imperial Tob., ord. | .10 | Mar. 31 | Mar. 5 |
| Do., final | .15 | Mar. 31 | Mar. 5 |
| Do., pref. | 3% | Mar. 31 | Mar. 5 |
| Inter. Nickel, c. | †.50 | Mar. 31 | Mar. 1 |
| Imp. Varnish | .12½ | Mar. 1 | Feb. 18 |
| Do., pref. | .37½ | Mar. 1 | Feb. 18 |
| Jam. Pub. Serv. | .17 | Apr. 1 | Mar. 15 |
| Do., pref. | 1.75 | Apr. 1 | Mar. 15 |
| Laura Secord | ▪.20 | Mar. 1 | Feb. 15 |
| Loblaw Groc. Inc. | †.25 | Feb. 27 | Feb. 12 |
| Lake Shore Mines | .20 | Mar. 15 | Mar. 1 |
| Lake of W. Mill. | .30 | Mar. 1 | Feb. 15 |
| Do., pref. | 1.75 | Mar. 1 | Feb. 15 |
| Loblaw Groc. A, B | .25 | Mar. 1 | Feb. 10 |
| Langley's pref. | ▪.50 | Mar. 11 | Mar. 3 |
| Do. | ▪.50 | Jun 11 | Jun 3 |
| Do., | ▪.50 | Sep. 11 | Sep. 3 |
| Do. | ▪.50 | Dec. 11 | Dec. 3 |
| Landed Banking | 1 | Apr. 1 | Mar. 15 |
| Lang, John A. | .17½ | Apr. 1 | Mar. 10 |
| Do., extra | .30 | Apr. 1 | Mar. 10 |
| Louisiana Land | †.10 | Mar. 15 | Mar. 1 |
| Macassa Mines | .06 | Mar. 15 | Feb. 27 |
| Maritime Tele. | .17½ | Apr. 15 | Mar. 20 |
| Do., pref. | 17½ | Apr. 15 | Mar. 20 |
| Massey-Harris, pf. | .62½ | Mar. 15 | Mar. 1 |
| Maclaren Power | .25 | Mar. 8 | Feb. 22 |
| MacKinnon Steel p. | 1.25 | Mar. 15 | Feb. 27 |
| Montreal Cottons | 1 | Mar. 15 | Feb. 27 |
| Do., pref. | 1.75 | Mar. 15 | Feb. 27 |
| McK. Red•Lake | .03 | Mar. 15 | Mar. 1 |
| McIntyre Porc. | .55½ | Mar. 1 | Feb. 1 |
| Do., | .55½ | June 1 | May 1 |
| Mitchell, J. S. | 2.50 | Mar. 1 | Feb. 15 |
| Monarch Knit., p. | 7 | Mar. 11 | Feb. 20 |
| Montreal Loan | .31¼ | Mar. 15 | Feb. 28 |
| Nat. Biscuit | †.30 | Apr. 15 | Mar. 12 |
| Do., pref. | †1.75 | Feb. 27 | Feb. 9 |
| Noranda Mines | 1 | Mar. 15 | Feb. 20 |
| N. S. Light & Pr. p. | 1.50 | Mar. 1 | Feb. 13 |
| Nat. Grocers, pfd. | .37½ | Apr. 1 | Mar. 15 |
| Northwest. Util., pfd | 1.50 | Mar. 1 | Feb. 24 |
| Ogilvie Flour, c. | .25 | Apr. 1 | Feb. 26 |
| Ottawa Elec. Rly. | .50 | Apr. 1 | Mar. 1 |
| Ogilvie Flour, pfd. | 1.75 | Mar. 1 | Feb. 17 |
| Ottawa L. H. & Pr. | .15 | Apr. 1 | Feb. 17 |
| Do., pref. | 1.25 | Apr. 1 | Feb. 17 |
| Page Hersey | 1.25 | Apr. 1 | Mar. 15 |
| Perron Gold | ▪.04 | Mar. 31 | Mar. 1 |
| Preston E. Dome | .05 | Apr. 15 | Mar. 15 |
| Paton Mfg. | 1 | Mar. 15 | Feb. 28 |
| Do., pref. | 1.75 | Mar. 15 | Feb. 28 |
| Photo Engravers | .50 | Mar. 1 | Feb. 15 |
| Proprietary M. | .05 | Mar. 8 | Feb. 15 |
| Para. Pictures | †.30 | Apr. 1 | Mar. 18 |
| Do., pref. | †1.50 | Apr. 1 | Mar. 18 |
| Quebec Gold | .02 | Mar. 1 | Feb. 20 |
| Regent Knit., pfd. | .40 | Mar. 1 | Feb. 15 |
| Do. | .40 | June 1 | May 15 |
| Do., | .40 | Sept. 1 | Aug. 16 |
| Do. | .40 | Dec. 1 | Nov. 15 |
| Reliance Grain, pf. | 1.62½ | Mar. 15 | Feb. 28 |
| Royal Bank | 1.50 | Mar. 1 | Jan. 30 |
| R. S. Mills, A | .50 | Apr. 1 | Mar. 9 |
| Rolland Paper, pref. | 1.50 | Mar. 1 | Feb. 15 |
| Remington Rand | †.25 | Apr. 1 | Mar. 10 |
| Do., pref. | †1.12½ | Apr. 1 | Mar. 10 |
| Sunset Oils | .01½ | Mar. 15 | Mar. 1 |
| Sherwin Wms. | .15 | May 1 | Apr. 15 |
| Do., pref. | 1.75 | Apr. 1 | Mar. 15 |
| Simon & Sons | .15+.15 | Mar. 29 | Mar. 13 |
| Do., pref. | 1.75 | Mar. 29 | Mar. 13 |
| Siscoe Gold | .01½ | Mar. 15 | Feb. 12 |
| Silverwoods | .20 | Apr. 1 | Feb. 27 |
| Do., pref. | .20 | Apr. 1 | Feb. 27 |
| Stuart Oil, pfd. | .20 | Mar. 1 | Feb. 15 |
| Sullivan Cons. | .03 | Mar. 15 | Feb. 15 |
| Stand. Paving, pf. | 62½ | Mar. 20 | Feb. 20 |
| Sylvanite Gold | .03 | Apr. 15 | Feb. 22 |
| Tamblyn, G. | .20 | Apr. 1 | Mar. 12 |
| Do., pref. | .62½ | Apr. 1 | Mar. 12 |
| Tuckett Tob., pfd. | 1.75 | Apr. 15 | Mar. 31 |
| Tor. Elevators, pfd. | .65 | Mar. 6 | Feb. 24 |
| Upper Can. Mines | .02½ | Feb. 27 | Feb. 12 |
| Vulcan Br. Pete. | .01 | Mar. 5 | Feb. 27 |
| Weston Geo. c. | .20 | Apr. 1 | Mar. 5 |
| West Koot. Pr., pfd. | 1.75 | Apr. 1 | Mar. 15 |
| Wilsil | .25 | Apr. 1 | Mar. 1 |
| Wr. Hargreaves | .10 | Apr. 1 | Feb. 25 |
| Waite Amulet | .15 | Mar. 10 | Feb. 13 |
| Walker-Good. | .1 | Mar. 15 | Feb. 19 |
| Do., pref. | .25 | Mar. 15 | Feb. 19 |
| Young-Davidson | .02 | Mar. 15 | Feb. 27 |

†N. Y. funds. ▪Subject to approval of Foreign Exchange Control Board. *Extra. •Initial. ‡Participating.

Dividends Deferred:
Petrol Oil & Gas, Mar. 1.

## DIVIDEND NOTICES

### THE B. GREENING WIRE COMPANY, LIMITED

**Common Dividend No. 22**

NOTICE IS HEREBY GIVEN that at a meeting of the Directors of The B. Greening Wire Company, Limited, held in the office of the Company on February 22nd, 1943, a dividend of Fifteen cents per share on the Common Shares of the Company was declared payable April 1st, 1943, to shareholders of record March 1st, 1943.

F. J. MAW,
Secretary.

Hamilton, Ont., February 23, 1943.

### CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

**Thursday, the First Day of April**

next, to Shareholders of record at the close of business on the Fifteenth day of March, 1943.

By order of the Board.
Walter F. Watkins,
Secretary.

Toronto, February 17th, 1943.

## DIVIDEND NOTICES

### Dominion Textile Co.
Limited

*Notice of Preferred Stock Dividend*

A DIVIDEND of One and Three Quarter per cent (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st March, 1943, payable 15th April, 1943, to shareholders of record 15th March, 1943.

By order of the Board,
L. P. WEBSTER,
Secretary.

Montreal, February 18th, 1943.

### Dominion Textile Co.
Limited

*Notice of Common Stock Dividend*

A DIVIDEND of One Dollar and Twenty-five cents ($1.25) per share, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st March, 1943, payable 1st April, 1943, to shareholders of record 5th March, 1943.

By order of the Board,
L. P. WEBSTER,
Secretary.

Montreal, February 18th, 1943.

**DIVIDEND NOTICE**

### Canadian General Electric Company, Limited

Notice is hereby given that a dividend of two dollars per share for the quarter ending March 31, 1943, has been declared on the Common Stock of the Company.

That the above dividend is payable on April 1, 1943, to shareholders of record at the close of business on March 12, 1943.

By Order of the Board.
W. H. NESBITT,
Secretary.

Toronto, February 19, 1943.

### MacKinnon Steel Corporation Limited

**DIVIDEND NOTICE**

NOTICE IS HEREBY GIVEN that a dividend of one and one quarter per cent (1¼%) has been declared on the 7% Cumulative Sinking Fund Redeemable Preferred stock of MacKinnon Steel Corporation Limited payable March 15th, 1943, to shareholders of record February 27th, 1943.

By Order of the Board of Directors.
J. G. SCORER,
Secretary.

Montreal, February 19th, 1943.

### The Chesterville Larder Lake Gold Mining Company Limited

(No Personal Liability)

**INTERIM DIVIDEND NOTICE NO. 6**

Notice is hereby given that an interim dividend of .03c (three cents) per share, payable in Canadian funds, has been declared by the Directors of The Chesterville Larder Lake Gold Mining Company Limited, payable April 15th, 1943, to shareholders of record at the close of business March 10th, 1943.

By order of the Board.
E. V. OAG,
Secretary-Treasurer.

Toronto, February 18th, 1943.

### PRESTON EAST DOME MINES, LIMITED

(No Personal Liability)

**DIVIDEND NO. 14**

NOTICE is hereby given that the regular quarterly dividend of five cents per share has been declared on the issued Capital Stock of the Company, payable in Canadian funds, April 15th, 1943, to shareholders of record at the close of business on the 15th day of March, 1943.

By Order of the Board.
L. I. HALL,
Secretary.

Toronto, February 16th, 1943.

### Gatineau Power Company

**Notice of Dividend on 5% Cumulative Preferred, 5½% Cumulative Preferred and Common Shares**

Montreal, Canada.
February 20, 1943.

The Board of Directors has declared a quarterly dividend of $1.25 a share on the 5% Cumulative Preferred Shares and $1.37 a share on the 5½% Cumulative Preferred Shares of the Company payable April 1, 1943, to shareholders of said classes of record at the close of business on March 1, 1943; also a quarterly dividend of Fifteen cents ($.15) a share on the Common Shares of this Company outstanding at the close of business on March 1, 1943, payable on March 31, 1943, to shareholders of said class of record at the close of business on March 1, 1943.

Cheques in payment will be mailed. Stock transfer books will not close.

J. R. BINKS,
Secretary.

### Canadian Car & Foundry Company Limited

**DIVIDEND NOTICE— PREFERENCE STOCK**

Notice is hereby given that a dividend of forty-four cents (44c) per share on the Paid up Preference Stock of the company for the quarter ending March 31st, 1943, has been declared, payable on the 10th day of April, 1943, to Shareholders of record on the 20th day of March, 1943.

By Order of the Board,
A. C. BOURNE,
Secretary.

Montreal, February 22nd, 1943.

### MACASSA MINES, LIMITED

(No Personal Liability)

**DIVIDEND NO. 31**

NOTICE is hereby given that a dividend of six cents (6c) per share has been declared on the issued capital stock of the company for the quarter ending March 31st next, and will be payable on March 15th to shareholders of record February 27th, 1943.

By Order of the Board.
L. SOLIAGUE,
Secretary.

Toronto, February 22nd, 1943.

### Central Patricia Gold Mines, Limited

(No Personal Liability)

**DIVIDEND NO. 27**

A dividend of 3c per share has been declared by the Directors on the capital stock of the company, payable the 29th day of March, 1943, to shareholders of record at the close of business on the 27th day of February, 1943.

Dated at Toronto this 18th day of February, 1943.

By Order of the Board.
ALAN COCKERAM,
Secretary-Treasurer.

# Look For Fewer Grain Ships

## *Trade Expects Smaller Movement on Great Lakes*

**From Our Own Correspondent**

WINNIPEG. — Western movement of grain has been comparatively small during the last week. Bad roads tended to prevent farmers from making deliveries to the extent that local elevator space would have made possible.

Although milder weather has decreased the strain on the railways, they have not yet commenced large scale shipments from country elevators to lakehead terminals, where a considerable amount of space is empty.

At the same time, a good deal of grain, already ordered by the all-rail route to eastern Canada, remains in terminal elevators. The railways will not supply cars until there has been some easing of transportation difficulties.

With the opening of lake navigation coming nearer, the supply of lake vessels seems certain to be much more restricted than last year, so that the total volume of shipments for the season of navigation will be smaller than in 1942.

Actual bookings of freight space have been delayed, partly because it is not known what vessels will be available. It is also said that the Wheat Board has been discouraging early bookings, presumably due to uncertainty as to just what kinds and grades of grain will be in greatest demand.

If there is going to be an active demand for western oats and barley from the eastern part of the United States, corresponding to that which currently exists in the central western states, there will undoubtedly be an effort to allot as much as possible of the lake freight space to such grains. Whatever arrangement is made, it seems clear that lake shipping space will be so inadequate that there will be demand upon the railways to move grain by the all rail route throughout the summer.

**U. S. Demand Strong**

Demand continues strong from the United States for movement of oats to various milling centres. Some of this grain is designed for milling for food, and some evidently is intended for livestock feeding. The trade is limited by the difficulty in securing railway cars of American ownership for movement to destinations south of the line, and by the limited quantities of oats available in elevators at various points in the areas where freight rates are most favorable to the movement.

Reports from the country indicate that there is likely to be a decline in the acreage seeded to wheat this year and a corresponding increase in the acreage devoted to oats and barley. The wheat policy announced by the government assures farmers that they will be able to deliver wheat of 1942 production against the quota of 14 bushels per authorized acre to be in effect for the next crop year.

Many farmers, who already have on hand all the wheat they will be able to deliver during the next crop year, as well as during the remainder of the current crop year, are planning to go out of wheat altogether, and to put their cultivated land entirely into other grains.

**Flax Acreage**

Some increase is likely in the acreage devoted to flax, in spite of government's statement that an increase is not desirable. While most farmers regard flax as a very speculative crop, and the guaranteed price of $2.25 per acre is not regarded by many as sufficiently high, flax nevertheless appears to offer some cash return. Wheat seeded in 1943, however, offers no cash return for over a year to farmers who will be carrying over a considerable surplus at the end of the present crop year.

One of the features of the wheat situation is the high premium prevailing for durum, approximately 17½ cents over No. 1 northern. Farmers with durum wheat are consequently realizing more than $1.07 per bushel, basis head of the lakes, or well over the dollar a bushel price which has been set as a goal by different farmers' organizations during the last two years.

The high premium is due to short supply, resulting from transfer during recent years from the production of durum wheat to that of other rust resistant varieties, mainly Thatcher.

Durum wheat is being sold on the open market by those farmers fortunate enough to have supplies, while practically all other wheat is being marketed through the Wheat Board.

Continuance of such a premium during another year is uncertain, but many farmers are planning to seed durum. A considerable number of farmers have durum wheat which they are prevented from delivering, under quota regulations which limit them to 14 bushels per authorized acre. This restriction is being enforced by the Wheat Board regardless of the fact that durum, instead of being a surplus commodity, like the northern grades of wheat, is, for marketing purposes, practically a different commodity altogether, and one in which there is a shortage.

## U. S. Looks to Canada For Pulpwood Supply

United States expects to import 1,550,000 cords of pulpwood from Canada this year, according to a joint announcement of the Canadian Timber Controller and the U. S. War Production Board. In addition, Canadian mills expect to ship to the United States, 1,170,000 tons of pulp.

Meantime steps have been taken in British Columbia to stimulate lost production through an increase of $1 per 1,000 board feet on all logs; an increase of $4.50 per 1,000 on peeler logs, and on special depletion allowance of approximately $1.40 a 1,000.

## DIVIDEND NOTICES

### The Ontario Loan & Debenture Company

223rd Dividend

Notice is hereby given that a Quarterly Dividend of $1.25 per share for the current quarter ending 31st March, 1943, has been declared on the paid up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on the 1st April, 1943, to Shareholders of record at the close of business on the 15th March, 1943.

By order of the Board.
T. H. MAIN,
Manager.

London, Ontario.
23rd February, 1943.

### Canada Bud Breweries Limited

**DIVIDEND NOTICE**

Notice is hereby given that a dividend of ten cents (10c) per share on the 150,000 outstanding no par value common shares of Canada Bud Breweries Limited, has been declared payable on the 1st day of April, 1943, to shareholders of record at the close of business on the 15th day of March, 1943.

By Order of Board of Directors.
J. S. FITZGERALD,
Secretary-Treasurer.

Toronto, Ont.
Feb. 22nd, 1943.

### RELIANCE GRAIN COMPANY LIMITED

**6½% CUMULATIVE PREFERRED STOCK**

A DIVIDEND of one and five-eighths per cent (1⅝%) per share, being the dividend for the quarter ending February 28, 1943, is hereby declared and authorised to be paid on March 15th, 1943, to all preference shareholders of record with the Transfer Agents of the Company at the close of business on February 28, 1943.

By order of the Board,
A. W. GIBB, Secretary.

Winnipeg, January 26, 1943.

### THE MONTREAL COTTONS LIMITED

NOTICE is hereby given that a dividend of one per cent (1%), has been declared upon the Common Stock of the Company, and cheques will be mailed on the fifteenth day of March next, to shareholders of record at the close of business on the 27th day of February, 1943.

By order of the Board,
CHAS. GURNHAM,
Secretary-treasurer.

Valleyfield, February 18th, 1943.

### THE MONTREAL COTTONS LIMITED

NOTICE is hereby given that a quarterly dividend of one and three quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum, has been declared upon the preferred stock of the Company, and cheques will be mailed on the fifteenth day of March next, to shareholders of record at the close of business on the 27th day of February, 1943.

By order of the Board,
CHAS. GURNHAM,
Secretary-treasurer.

Valleyfield, February 18th, 1943.

# The Business Of Farming

By GORDON L. SMITH

Placing butter on the ration list has certainly not ended the problem of equitable distribution of that vital commodity. Many producers are of the opinion that the real headache is still ahead.

First two months of government consumer restrictions, it is reported, has resulted in an embarrassing overproduction with more butter being offered the market than coupons could absorb. The resulting weakening of demand is said to have caused some concern and many marginal producers are considering selling their cows to the nearest butcher.

* * *

### *See Butter Shortage*

Much of our butter, and especially much of the increased output since the war, has been made from cream from what are known as dual purpose cows—animals that produce some milk but can also be fattened into beef. Recently, of course, beef has advanced in price but there has been no change in butter fat prices since the first of December. Rather than continue to milk these cows and depend on a government curtailed butter market, owners may decide to butcher their milking stock.

If this practice continues, dairy authorities point out, then the temporary surplus of butter, which is behind the recent official announcement that full butter rations are to be restored, will soon disappear and we may be facing a real shortage of butter by next summer. These authorities assert that the only way to solve the present food shortage is to work out a complete and co-ordinated policy covering all farm production. There is a feeling that there has been tinkering here and there, without any realization that there is a delicate balance between all farm prices and when one gets out of line that balance is soon upset and with it production.

* * *

### *Significant Change*

Several western weekly newspapers have recently expressed concern over the purchase of farm lands by unnaturalized Europeans. Typical is this comment from the Swan River (Manitoba) Times and Star:

"A serious situation is arising in Western Canada, and especially in this district, which, if not promptly remedied, may well have grave repercussions after the war is over and our young men come home again.

"Unnaturalized Europeans, many of them enemy aliens, are buying up farm lands wherever they can. Many of these people have no money with which to buy war bonds or even to buy war savings stamps when they are canvassed. But when there is a good farm for sale they can dig up four or five hundred dollars as a cash payment on the property.

"It is high time the government put a stop to this sale of the best of our farm lands to people who have not had sufficient interest in Canada to get naturalized."

Such comment indicates a rather surprising and perhaps significant change in sentiment in parts of western Canada, even allowing for the abnormal conditions that exist at present. A little more than a quarter of a century ago people from practically every part of Europe were flocking into the Prairie Provinces and all were made welcome. And, of course, all of these, outside those from the British Isles, were unnaturalized.

* * *

### *For a Better Understanding*

Some weeks ago in this column we made a reference to the importance of a better understanding between people living in the rural districts and those in the towns and cities. It was suggested that service clubs might interest themselves in this matter. They have and are, as is indicated by this note from a reader:

It may interest you to know that when the 83rd annual convention of the Fruit Growers of Ontario was held in Toronto in January, the Rotary Club invited the members of the organization to attend the Rotary Club weekly luncheon at the Royal York Hotel. As I recall the figures, some 170 or more members of the Fruit Growers Organization attended the luncheon.

It is interesting to note that the Rotary Club has received notice of a resolution passed by the Fruit Growers. It is as follows: "That this Association extend its grateful thanks to the Rotary Club of the City of Toronto for its kind invitation to be host to this Association at its weekly luncheon at the Royal York Hotel on January 22, 1943, and that the Association record with the Rotary Club its sincere appreciation of the courtesy extended to the Fruit Growers of Ontario on this occasion."

After the war when gasoline coupons are but a memory this excellent example of Toronto Rotary might well be followed by similar organizations and on a wholesale scale. Rural dwellers might reciprocate with joint country picnics.

***JOINS POWER BOARD***

*L. J. A. Amyot of Quebec City, who has been elected to the board of Shawinigan Water & Power Co. He is president of Dominion Corset Co. and a director of a number of other corporations.*

## Wheat Prices

### Winnipeg Grain Futures

Week of Feb. 22, 1943

| Crop year from Aug. 1, 1942 High | Low | | High for week | Low for week | Close Feb. 22 |
|---|---|---|---|---|---|
| | | Wheat | | | |
| .94 | .91⅜ | May | .92 | .91⅞ | .91⅞ |
| | | Oats | | | |
| .51½ | .45⅝ | May | .51⅛ | .51¼ | .51¼ |
| .51½ | .47⅝ | July | .51½ | .50⅞ | .51¼ |
| | | Barley | | | |
| .64¾ | .62⅝ | May | .64¾ | .64½ | .64¾ |
| .64¾ | .62⅝ | July | .64¾ | .64⅛ | .64¼ |
| | | Rye | | | |
| .66⅝ | .56¼ | May | .66⅝ | .66⅝ | .66⅝ |
| .66⅝ | .65 | July | .66⅝ | .66⅝ | .66⅝ |

### Cash Quotations

| | For Week Feb. 22 High | Low | Prev. Week High | Low |
|---|---|---|---|---|
| Wheat | | | | |
| 1 Nor. | .90⅝ | .90½ | .90⅝ | .90⅝ |
| 2 Nor. | .87⅛ | .87 | .87⅛ | .87 |
| 3 Nor. | .85¾ | .84¾ | .83¾ | .83⅝ |
| 4 Nor. | .83½ | .80⅝ | .80⅝ | .80¼ |
| 5 Wheat | .80⅝ | .77 | .77½ | .77⅜ |
| 6 Wheat | .80 | .76½ | .76 | .74⅝ |
| Oats: | | | | |
| 2 C. W. | .51½ | .51¼ | .51¼ | .50¼ |
| 3 C. W. | .51¼ | .51 | .51 | .50 |
| Barley: | | | | |
| 1 Feed | .62¾ | .62 | .61⅝ | .60½ |
| 2 Feed | .62¼ | .61½ | .61⅛ | .60 |
| Rye: | | | | |
| 2 C. W. | .65⅞ | .64⅝ | .64⅝ | .64⅝ |

COMPLEX PROBLEMS

Never within living memory has there been a time when so many factors have combined, as at present, to affect the administration of an estate. It is at times like these that the Montreal Trust Company, through its wide experience, can offer the service needed. A knowledge of conditions and helpful co-operation in solving your problems make an association with this Company well worthwhile.

MONTREAL TRUST COMPANY
Montreal Trust Building Toronto

We Invite Consultation

## DIVIDEND NOTICES

### Canada Malting Co., Limited

**DIVIDEND NOTICE**

NOTICE is hereby given that a quarterly dividend of Fifty Cents (50c) per share has been declared on the no par value stock of the Company. The above dividend is payable March 15, 1943, to Shareholders of record at the close of business on the 27th day of February, 1943. The books of the Company are to be closed from March 1, 1943, to March 13, 1943, inclusive.

Share Warrant Holders will present Coupon Serial No. 61 to The Royal Bank of Canada, MONTREAL, TORONTO, WINNIPEG, and CALGARY, on or after March 15, 1943.

By Order of the Board,
JOHN P. HEIGHTON,
Secretary.

Dated at Montreal.
February 22, 1943.

TORONTO ELEVATORS
LIMITED

GRAIN
MASTER FEEDS
LINSEED & SOYA OILS

Also Owning and Operating
THE SARNIA ELEVATOR
CO. LIMITED
SARNIA ONTARIO

QUEEN'S QUAY, TORONTO

Since 1857
James Richardson & Sons
LIMITED
Grain Merchants
Shippers and Exporters
HEAD OFFICE
WINNIPEG
Branches Throughout Canada

**Langley's Ltd.,** Toronto dry cleaning and laundry establishment, paid $1 a share on its 7% preferred stock on Feb. 23, to shareholders of record Feb. 17. Four quarterly dividends of 50c. have also been declared payable, March 11, June 11, Sept. 11, and Dec. 11, 1943, to shareholders of record March 3, June 3, Sept. 3 and Dec. 3. After allowing for the Feb. 23 and March 11 payments, arrears as of Feb. 15 would be $49.75 a share. It is understood net profit for 1942 will be close to the $4.24 a share reported for 1941 on the preferred. Volume of business has been greatest in the history of the company with the working capital position further strengthened.

HALLET & CAREY
LIMITED
GRAIN - STOCKS - BONDS
Exporters - Grain Futures
Head Office — WINNIPEG, Man.
Branch — FORT WILLIAM, Ont.

DOUBLE RECLEANED AND RECLEANED WESTERN
• • • OATS • • •
All Grades Feed BARLEY
SAMPLE WHEAT
BULK or SACKED
Barley Meal
All Grain Selected from Our Elevators in the Finest Growing Districts of Western Canada
Prompt Shipment from Fort William
For Quotations Write or Wire
NATIONAL GRAIN CO. LTD.
WINNIPEG

FEDERAL GRAIN
LIMITED
OPERATING TERMINAL ELEVATORS - FORT WILLIAM - PORT ARTHUR - VANCOUVER
436 COUNTRY ELEVATORS THROUGHOUT THE WEST
113 COAL SHEDS
Our Service and Facilities Guarantee Satisfaction

McCABE BROS. GRAIN CO. LTD.
WINNIPEG, MAN.
Grain Commission Merchants — Shippers and Exporters — All Grains-Sacked Feeds
Country and Terminal Elevator Operators
Grain Merchandising
MANITOBA - SASKATCHEWAN - ALBERTA
Offices: DULUTH - MINNEAPOLIS

The WESTERN SAVINGS and LOAN ASSOCIATION
HEAD OFFICE: WINNIPEG, MANITOBA
OFFICES
Agency Building - Edmonton, Alta.
221 A 8th Ave. W. - Calgary, Alta.
McCallum-Hill Building - Regina, Sask.
411 Avenue Building - Saskatoon, Sask.

## NOTICE

Algoma Grain Securities Limited have instructed The Royal Trust Company to proceed at once to pay the purchase moneys to shareholders of The Alberta Pacific Grain Company Limited who have deposited, or who do deposit on or before March 10th, 1943, with The Royal Trust Company their share certificates and acceptances of the Algoma Company's offer to purchase their shares at $115.00 per share for preferred shares and $3.00 per share for common shares.

Cheques are now being mailed to shareholders, and will continue to be sent out as acceptances and certificates are deposited.

Shareholders wishing to take advantage of the offer must accept same and deposit their acceptances and share certificates with any branch of The Royal Trust Company, on or before March 10th.

The purchaser is not bound to take any shares offered after March 10th, 1943.

Copies of the offer can be secured by shareholders on application to The Alberta Pacific Grain Company Limited, at Winnipeg, or at any office of The Royal Trust Company.

# Workers With Disabilities

## *Blind, Deaf and Crippled Make Good Employees*

**Given greater opportunities than in the past because of the wartime labor shortage, people with physical handicaps — the blind, the deaf, the crippled — are proving that they can do many jobs and do them well, provided they are intelligently placed.**

**How to place them to best advantage, how to train them and fit them into an industrial organization, is now the object of extensive studies in the United States and Canada.**

A letter went out recently to certain employers in Ontario asking that they look around and see whether they had work which could be done by the blind. It was sent by selective service officials, and was in line with a move to have fuller opportunities extended to persons who are handicapped.

This move has already progressed far in the United States, where industrial employers are tapping the manpower reservoir which consists of those who are blind, deaf, crippled, or, for some other physical reason, would have been considered unemployable before the war.

It is being found that there are jobs these people can do as well as anybody—in some cases better. Blind men and women are performing skilled machine operations; the deaf do excellently where there is an excessive noise factor, as in certain foundry departments, and because of their handicap have higher than average powers of concentration; cripples often have unusually deft fingers, quite frequently have hobbies through which they have learned difficult skills.

A survey of the situation in Canada indicates that the proportion of our handicapped who are working in factories is not large. At the same time few are now unemployed. A lot have taken over less essential jobs vacated by people who went into war industry.

### Postwar Angle

Personnel men in this country are closely watching what is being done in the United States, not because they believe the handicapped can solve our labor shortage, but because they realize scientific methods are being developed which will make it far easier to re-establish disabled soldiers.

They foresee that as Canadian troops go into action, more and more men will come back from overseas with disabilities. All our fighting men have been promised that their old jobs or jobs equally good, will be held open for them. While there will be pensions for those who suffered physical handicaps as a result of their service, there will also be a desire to place in useful employment all who are capable of any sort of work.

One large employer, interviewed by The Financial Post, suggested that industry should be preparing now to meet this problem by making fuller use of handicapped civilians.

So far experiments along this line have mainly been by the bigger companies. This man's suggestion was that the effort should be spread out on a proportionate basis, with both big and small companies having to accept as employees a quota of handicapped.

### Usual Objections

Following are objections most frequently raised against employing the handicapped:

> Because of their disabilities they are unable to do work with the same efficiency as those who are physically normal.
>
> They are more apt to be injured in accidents, to be sick, to be tardy.

The first objection disappears when intelligent study leads to proper placement. For example a man who lost a leg overseas returned to his old employer in Toronto. He could not get around quickly. Thus it was realized there would be an accident hazard if he was used in a department where machinery was being moved around. He could not stand up for any long period. But he was bright, willing, honest. He was placed behind a counter, handing out tools and keeping a record of what was done with them. Here he is safe, he can sit most of the time, and he is a valuable employee.

The second objection, that they are more apt to be injured, sick or tardy, to a large extent breaks down under examination. Because the deaf lack hearing, their other senses are sharpened and they are constantly on guard against danger which may approach unheard. In some parts of the United States, as evidence of this, deaf persons are licensed to drive trucks. Their safety record as truck drivers has been outstanding.

Similarly the blind are seldom careless, are usually on guard. Years ago in Ontario a special clause to cover the employment of blind was put in the Workmen's Compensation Act. There is yet to be a major claim under it.

### Charge Doesn't Hold

On the count of sickness and tardiness U. S. experience has been that those with physical disabilities take better care of their health than others and by and large lose less time through being sick. Neither does the charge of tardiness hold up. These people know they must hold their jobs under a handicap, are careful to be punctual and to observe the rules.

In spite of all this it's admitted that they are bad employment risks unless there is proper placement—unless they are fitted into the right jobs. Emerging from the U. S. studies now is a knowledge of what sort of handicapped people can do what sort of jobs; of how they can be protected against accident, of how they can best be trained and made to fit in with physically normal employees.

One thing which has been found is that it is wise to introduce handicapped workers gradually, first one, then two, then others.

Ford Motor Co. is probably the largest employer of physically handicapped. It was 20 years ago that Ford established a policy that its personnel should reflect accurately the social structure of the community in which each plant was located.

Surveys showed that 10% of the population of Dearborn, Mich., were handicapped. Consequently, of the workers hired by Ford, 10% were handicapped. Today in the Rouge River Ford plant at Dearborn 11,562 employees are disabled. Of these 687 are sightless, 66 are deaf, 42 are partially incapacitated by paralysis, 112 are epileptics, 101 have organic heart ailments, 80 have only one arm, one has no arms, 96 have spinal curvatures.

Here's what Harris Turner, director of publications for the Canadian National Institute for the Blind, has to say about the capability of the blind in Canadian industries:

"More than a score of blind men and women are working steadily in war plants at ordinary machine and assembly jobs. It is possible for a blind man to do a fine job of hand-sanding certain parts of a fighting plane and a blind man is doing that in one Ontario factory. It is possible for blind men and women to gauge shells and bullets; possible for them to operate milling and tapping machines; possible for them to assemble gas masks and electrical apparatus. They are working at these jobs in various factories throughout Canada.

"The fact that blind men and women are working in war plants is no surprise to those to whom the skill of blind workmen is known. For years blind men and women employed by the Canadian National Institute for the Blind have been making baskets, brooms, aprons, brushes, mats and other articles. If a blind man can make a fine broom, he can tend a drill-press. If a blind woman can operate a sewing machine, she can assemble web equipment..."

In its own factory the Institute for the Blind is now making bombing targets, medical panniers and brooms and brushes for military orders. It is also making caps of various colors for munitions workers uniforms.

# West Kootenay Redeems Bonds

From Our Own Correspondent

MONTREAL. — West Kootenay Power & Light Co., subsidiary of Consolidated Mining & Smelting Co. of Canada, has called for redemption on March 1 all of its outstanding 4% Series A first mortgage bonds at 103 and accrued interest.

These bonds were created in 1936 and issued in an amount of $6.5 millions. Through operation of the sinking fund, the issue was reduced to $5,687,000 at the end of 1941.

The entire issue was sold originally to Sun Life Assurance Co. of Canada to provide funds for redemption of the company's former issue of 5% first mortgage bonds which then amounted to $6,157,000.

Two years later the company issued a block of $2.5 millions of 3¾% first mortgage bonds which were also bought by the Sun Life.

The balance sheet of the company as at the end of 1941 indicates that liquid resources are not sufficiently adequate to provide for the redemption of these bonds. However, it is understood there will be no public refunding operation, a loan having been secured from the parent company, Consolidated Mining & Smelting Co. of Canada.

# Power Companies Unite Systems

From Our Own Correspondent

VANCOUVER. — Power loads of two companies serving British Columbia's Okanagan valley and vicinity are being synchronized to make additional waterpower available for the province's main source of war metals.

West Canadian Hydro Electric Corp.'s $650,000 construction programme has more than doubled capacity of its generating plant at Shuswap Falls. The new unit is ready to serve West Kootenay Power Co., supplying the south end of the valley, and the two systems will mesh in completely during the next few weeks.

Effect of this arrangement is that all surplus power from the West Canadian system will be available to West Kootenay Power, thereby diverting from the latter much needed additional power for the Nelson-Trail area.

# Box Score On Newsprint

| | January 1943 | January 1942 | Dec. |
|---|---|---|---|
| **PRODUCTION** | | | |
| Canada | 233,544 | 311,904 | 78,360 |
| United States | 69,792 | 84,628 | 14,836 |
| Newfoundland | 13,625 | 28,622 | 14,997 |
| Total | 316,961 | 425,154 | 108,193 |
| **SHIPMENTS FROM CANADA** | | | |
| To | | | |
| Canada | 15,435 | 17,702 | 2,267 |
| United States | 189,676 | 257,476 | 67,800 |
| Overseas | 9,904 | 16,820 | 6,916 |
| Total | 215,015 | 291,998 | 76,983 |

PRODUCTION AND SHIPMENT RATIOS
(Percentage of Capacity)
January

| Production 1943 | Production 1942 | Shipments 1943 | Shipments 1942 |
|---|---|---|---|
| 63.1 | 84.3 | 58.1 | 78.9 |

| | January 1943 | January 1942 | Dec. |
|---|---|---|---|
| **SHIPMENTS FROM NEWFOUNDLAND** | | | |
| To | | | |
| Newfoundland | 78 | 65 | + 13 |
| Overseas | 1,430 | 5,054 | 3,624 |
| United States | 10,812 | 18,170 | 7,368 |
| Total | 12,320 | 23,289 | 10,979 |
| **STOCKS OF NEWSPRINT ON HAND** | | | |
| Mills— | | | |
| Canada | 110,514 | 143,477 | 32,963 |
| United States | 9,702 | 11,427 | 1,725 |
| Newfoundland | 68,151 | 74,933 | 6,782 |
| Total | 188,367 | 229,837 | 41,470 |
| U. S. Publishers | 609,107 | 565,398 | +43,709 |
| Grand total | 797,474 | 795,235 | + 2,239 |

NOTE: All figures given are in short tons, except where noted. Returns are based upon reports issued by the News Print Service Bureau, Newsprint Association of Canada, American Newspaper Publishers Association, etc.

30th ANNUAL REPORT
SHOWS MARKED GAINS

**Increase in Savings Account Maintained**
Guaranteed Trust Account increased from $5,380,188.06 to $5,484,477.52

**Strong Liquid Position**
Government Bonds held at market value, demand loans and cash on hand—$2,375,221.64, equivalent to 123.40% of total savings on demand as compared with 115.45% last year.

**New Business Obtained**
Increased number of estates and agencies under administration. The Company was appointed executor under a large number of new wills.

**Real Estate Position Stronger**
Real estate held for sale decreased from $487,350.96 in 1941 to $388,696.25 in 1942. The Company disposed of a substantial number of properties for which it was Mortgagee in possession.

*A copy of the report will be mailed on request.*

CAPITAL TRUST CORPORATION LIMITED
MONTREAL OTTAWA TORONTO

MONEY ORDERS
*The Bank is the place to buy money orders*

First of all the money order is safe. And it is convenient. It takes care of Exchange at this end.

It is cashed at its face value and must be endorsed by the payee. This endorsement is a receipt for the money. The cost is at the regular money order rate.

Call at any branch office of Imperial Bank when you have to send a money order. Money orders issued payable in Canada or in United States. We recommend our cable transfer for remittance to Great Britain.

1 CANADIAN FUNDS
2 UNITED STATES FUNDS

IMPERIAL BANK OF CANADA
HEAD OFFICE: TORONTO—BRANCHES THROUGHOUT CANADA.
268

**BANK OF MONTREAL CHANGES**

*Announcement is made by the Bank of Montreal of the appointment of R. J. Williams (left) and L. W. Townsend as assistant general managers. Mr. Williams has been manager of the bank's chief branch in Montreal for several years. He will occupy the dual position as assistant general manager and manager of the Montreal office. Mr. Townsend, who has been manager of the bank's staff department since 1933, will have supervision of staff, premises and routine efficiency departments.*

# *Old Man Winter Plays Havoc With Rail Transport Service*

From Our Own Correspondent

MONTREAL.—When the temperature drops to 50 below zero, the amount of tonnage moved by the railways is reduced by 50%

Norman B. Walton, executive vice-president of the Canadan National Railways, gives as an example of the effect of weather the eastbound movement between two typical points on the Montreal-Chicoutimi run. In summer, two large Mikado freight locomotives, coupled together, will haul on this run 1,560 tons, back of the tender. That is the "A" rating.

### Hits at Tonnage

In a letter to R. E. Powell, president of the Aluminum Co. of Canada, Mr. Walton incorporated the following table showing the falling off in such tonnage as the weather gets colder.

| | Cut in tonnage | Equivalent loaded cars of bauxite |
|---|---|---|
| Above freezing, (32° F. above) | nil | 20 |
| 32° to 16° above (or bad rail) | 5% | 19 |
| 15° above to rezo | 10% | 18 |
| Zero to 10° below | 15% | 17 |
| 11° to 20° below | 20% | 16 |
| 21° to 25° below | 25% | 15 |
| 26° to 30° below | 30% | 14 |
| 31° to 35° below | 35% | 13 |
| 36° to 40° below | 40% | 12 |
| 41° to 45° below | 45% | 11 |
| 46° to 50° below | 50% | 10 |

"When we consider," said Mr. Walton, "the other adverse effects of winter weather greater likelihood of broken wheels and broken rails, slower movement, men being affected by the cold and having to lay off on that account, making it difficult to keep our staff up to proper working effectiveness, and the necessity for operation of snowplows, which means cancelling certain other trains, I think we can agree that 'Old Man Winter' is a doughty opponent in these northern regions."

# Newfoundland Looks For Pulpwood Shortage

Supply of wood available in Newfoundland for manufacture into pulp for newsprint is reported considerably below normal.

Bowater's Paper Mill and Anglo Newfoundland Power & Paper estimate that their combined operations during 1943 will be carried on at about 75% of total capacity. It may be necessary to revise this figure downward.

The paper companies are making an effort to increase production of goods for local use through the manufacture of wrapping paper, wallboard and paper bags.

DEVELOPMENT OF WAR-TIME NEEDS IN PLASTICS

ONTARIO RESEARCH FOUNDATION
43 QUEEN'S PARK, TORONTO

Would you give $15,000 in one lump sum to your wife, son or daughter during your life?

If not, you would not want the proceeds of your life insurance paid to them in lump sums.

Set up trusts under your Will for safeguarding those funds.

The CANADA TRUST COMPANY
*Managed in connection with*
Huron & Erie Mortgage Corporation
*Branch Offices in Six Provinces*
London Windsor Regina
Hamilton St. Thomas Edmonton
Toronto Chatham Vancouver
Montreal Winnipeg Victoria

"So what if there is a ceiling on wages!"

"MAYBE we *are* working harder and putting in more hours. Maybe the income tax is tough to pay! But look! My boy's in it. He's fighting! I spent twenty years raising that kid . . . do you think I'd let him down now for a few dollars or a few extra hours of work? No sir! We've got a job to do here at Anaconda. Our kids and their buddies have got to have the best guns, the best tanks, the best planes . . . the best damn equipment in the world! And we're the ones that are going to give it to them! C'mon fellows. Let's get back to work! Somebody's son needs that piece of copper . . . let's get it to him fast!"

Copper fabricated by Anaconda goes into equipment for all three Canadian Fighting Services. That's why you no longer find copper screens, copper or brass plumbing, copper roofing or bronze hardware available. Today, every available pound of copper and its many alloys is formed into parts of the guns, tanks and planes that our sons need to win.

It's not that there's less copper than before . . . there's actually more! Yes, men of Anaconda are handling four pounds for every pound fabricated in normal times. But for all that, more and still more copper is needed to meet the great demands of wartime production—more copper for ships, tanks, planes!

These men at Anaconda know it, too! They're working harder, faster than ever before to make sure that their sons and brothers and bench pals get everything they need, soon enough and in large enough quantities to assure complete Victory!

**Why is Copper So Essential?**
. . . Largely because it has such a wide and varied field of usefulness. The reason? Of all commercial metals, copper and its many useful alloys combine to best advantage the properties of high electrical and thermal conductivity, strength and resistance to corrosion.

For instance, no commercial metal equals copper as a conductor of electricity—and electricity is vital not only to industrial plants, but also to the ships, planes and equipment which these plants produce.

For another example, there is no suitable substitute for brass and copper in ammunition. In short, copper, today, is a most essential metal.

ANACONDA Copper and Brass

ANACONDA AMERICAN BRASS LIMITED
*Made-in-Canada Products*
*Main Office and Plant:* New Toronto, Ontario *Montreal Office:* 939 Dominion Square Building

Anaconda Copper & Brass

The Financial
POST
Canada's Foremost Business Newspaper

**Production for Victory**

*One of a Monthly Series—Report for February:*

**Mechanical Transport — Rubber — Petroleum**

Toronto, February 27, 1943

# Wheels That Speed the War Will Bring a Better Peace

To the Canadian automotive industry has been given much of the job of putting the Empire's armies on wheels. Out of the pounding Windsor and Oshawa plants since the start of the war have come over 400,000 military vehicles, designed to fight wherever the Axis may be found. Without this Canadian industry Marshal Rommel might well have made good his boast of setting up his headquarters in Cairo's Shepheard's Hotel—more than 50% of the automotive vehicles used by the British Eighth Army in Africa were manufactured in Canada.

Some indication of the conversion that the industry has made to reach its present 100% war business position is indicated by the fact that in 1942 Canada produced 215,000 military vehicles. One of these units consumes approximately twice the material and labor used on an ordinary commercial vehicle. That means 1942 output was equivalent to around 430,000 commercial trucks. Actual prewar average production was less than 40,000 a year.

### Postwar Question

But, as to many other Canadian industries similarly fully devoted to war production, there has come to the automobile business this question: After the war, what?

Part of the answer to this poser may be found in the industry's peacetime performance.

In the years immediately preceding the war the automotive industry employed an average of close to 15,000 people, sold an average of $132 millions of new cars and trucks annually. Canada's car population, including some quarter million trucks, totals better than 1.4 million — roughly equal to one vehicle to every eight Canadians. In the United States the ratio is one to less than five people.

### Many Old Cars

From the replacement standpoint important is the fact that in 1940 some 45,800 vehicles on the road were more than one year old, 50,800 two years old, 98,400 three years old and over 1.2 millions had been in use for four years or more. Average prewar production rate was around 128,000 cars and 40,000 trucks annually.

While gasoline and tire rationing have appreciably reduced the actual wear and tear on the average Canadian car now in use, it is nevertheless apparent that by the time new cars become generally available again there will be a large number of cars that will be headed for the used car lots or the junk heap just as soon as their owners can send them there.

### Booming Demand

Small doubt exists that the backlog now being built up by increasing obsolescence and increasing postwar buying power, as represented by Victory Loan holdings and higher savings accounts, should assure the automobile industry of a booming demand immediately upon the resumption of normal production. Indeed, there appears to be more reason to fear that this pent-up demand will bring in its wake a sharp, chaotic reaction than that the industry won't be able to find a market for its products. This possible effect of a swiftly shifting demand has already been recognized and chances are that some control over consumer purchases will have to be continued at least temporarily into the peace to ensure against such an undesirable event.

Tremendous as this backlog of potential business may be when the war comes to an end, it represents only one phase of the automotive industry's postwar picture. Plans for a big automotive contribution to an expanded Canadian economy must go far beyond meeting the flood of demand released by the thawing of the wartime freezeup.

### Doubled Employment

The Canadian automobile industry presently employs some 30,000 people, approximately double the average immediately before the war. We are now operating on a full employment scale throughout Canada. "Full employment" is the great postwar aim. It thus appears that the automotive industry, when peace returns, must have 15,000 more jobs ready than it did in the prewar days — providing, of course, that demand for automobiles is maintained.

This computation is, of course, subject to other factors. As in other war plants some workers will want to leave—women to get married, older employees to retire, etc. The possibility also exists that our auto plants will keep on with some degree of war work; we are not likely to let ourselve become so unprepared again.

### National Income Ratio

So far as continuing potential demand is concerned there is an interesting connection between car sales and the level of Canada's national income. During the past few years the record has been:

**Car Sales and National Income**

| | National income | Retail car & truck sales | Ratio of sales to income |
|---|---|---|---|
| | (Millions of Dollars) | | |
| 1941 | 6,500 | 151.9 | 2.3 |
| 1940 | 5,400 | 148.8 | 2.8 |
| 1939 | 4,862 | 126.0 | 2.6 |
| 1938 | 4,246 | 135.0 | 3.2 |
| 1937 | 4,342 | 149.2 | 3.4 |
| 1936 | 3,829 | 117.6 | 3.1 |

The drop in ratio for 1941 is explained by the fact that in the last three months of that year there was a sharp curtailment of buying, reflecting elimination of new models and restrictions on installment purchases.

From the table it is evident that automobile sales run at approximately 3% of national income. It is fairly generally agreed that full employment conditions for Canada would mean a national income level around $6.5 billions. If the automotive industry were to hold its 3% ratio to that figure it would mean annual sales of around $195 millions.

Thus the minimum postwar aim for Canadian automobile producers is to sell something like 50% more cars in Canada than in the prewar days, after the first rush of deferred buying is digested.

But the minimum in this case would hardly appear to be the most probable level for the postwar period. If, with full employment, we add $2.5 billions of national income to our prewar level of around $4 billions, the proportion of this added income that goes into automobiles (and other articles similarly regarded by the consumer) will likely be considerably higher than the prewar 3%.

It may prove that the actual limits of the postwar automobile industry will only be set at "saturation" of the market, that we maintain a car population of one to every four Canadians, involving twice the production and maintenance facilities of the prewar period. This would imply a continuation of the present level of around 30,000 employed, modified, of course, by any changes in production methods brought in with new designs, and by the increasing efficiency which would accompany larger scale production.

How much of our production continues to be exported will be the second determinant of the postwar motor trade. In the past roughly one third the output of Canadian factories has been exported. The possibility that the automobile industry will steadily employ some 30,000 workers will only be realized if the export market keeps pace with the expansion of the domestic market.

There is no question of the industry being able to supply the need. In 1942 Canada produced mechanical transport worth $404 millions as compared with $206 millions in 1941. At the same time productive facilities have grown. At the end of 1941 Ford of Canada reported total assets of $85.1 millions as compared with 1940's $77.8 millions and 1939's $68.7 millions.

Whether or not the industry will be able to make such sales, of course, hinges largely on whether or not our national income will be maintained at full employment figures; in short, the trend of car sales will follow the trend of general prosperity. Another angle to be considered in the general automotive picture is the export question. In normal times approximately one third of our automobile production is earmarked for export. A big help in establishing this business was a system of preferential tariffs. Whatever may be done with tariffs after the war will thus have an important bearing on our automobile industry. Incidentally 90% of current war production is for non-Canadian use.

So far as saleability of postwar cars is concerned there are good reasons to expect that the new models will surpass in attractiveness and performance anything we knew in the prewar days.

A tremendously increased capacity to produce high octane gasoline now exists, thus opening up great possibilities of improved performance in motor car engines. There are new materials, new metals and new knowledge of how to use them. The field of plastics offers some exciting possibilities for the postwar car. New developments resulting from the war already give certain economies in volume production which should be reflected in retail prices. Enlarged facilities and heavier production schedules should also mean a lower price car.

Thus the postwar car should be more attractive, less expensive and more efficient than its prewar cousin. It should have a wider appeal to the buying public.

### Level Production Peaks

An important problem to be worked out is to level out the peaks and valleys in automobile employment. The optimum would be to have a controlled production so that there would be steady employment right through the entire year rather than have staff terrifically busy for one period of the year and on short time or laid off for other periods. Such a levelling out would probably require educating the public to spread its car buying over every month of the year or some form of averaging monthly production with facilities for storage to even up the supply going to the buying public.

**Canada's automotive industry is currently employing around 30,000 workers, double the pre-war average. To keep a large percentage of that increased number of employees still on the job depends largely on maintenance of a higher level of national income and a continuing good export market. National income of $6.5 billions would mean an increase of at least 50%—probably more — in domestic business for the automotive companies over the pre-war average.**

As the automotive industry looks to the days beyond the peace it sees itself with the knowledge and equipment to turn out many more cars than it sold in prewar days. It sees that to bring Canada's car population more in line with that of the United States an appreciably increased working staff will be necessary. It sees that full employment and maintenance of a high level of national income will mean opening a vast new field for its productive and sales enterprise.

### Many Implications

Outlook for an expanded automotive industry carries with it important implications for many branches of Canadian trade and industry. The most direct influence will be felt by the petroleum and rubber companies who will find an appreciably extended market for their products. Many finance companies have in the past found a very large share of their business in handling automobile paper—with more cars being sold, credit facilities are likely to be expanded. This stepped-up activity will extend right down through the whole framework right to the small mechanic and garage owner.

A large number of Canadians in peacetime also found their main support in sale of cars.

It thus becomes apparent that postwar expansion of the automotive industry which might mean doubling prewar employment would have an economic effect far exceeding the direct influence of merely adding some 15,000 workers to the payroll. The way in which the industry has become so interwoven in the Canadian economic fabric makes the indirect effects of its wellbeing fully as important as the direct.

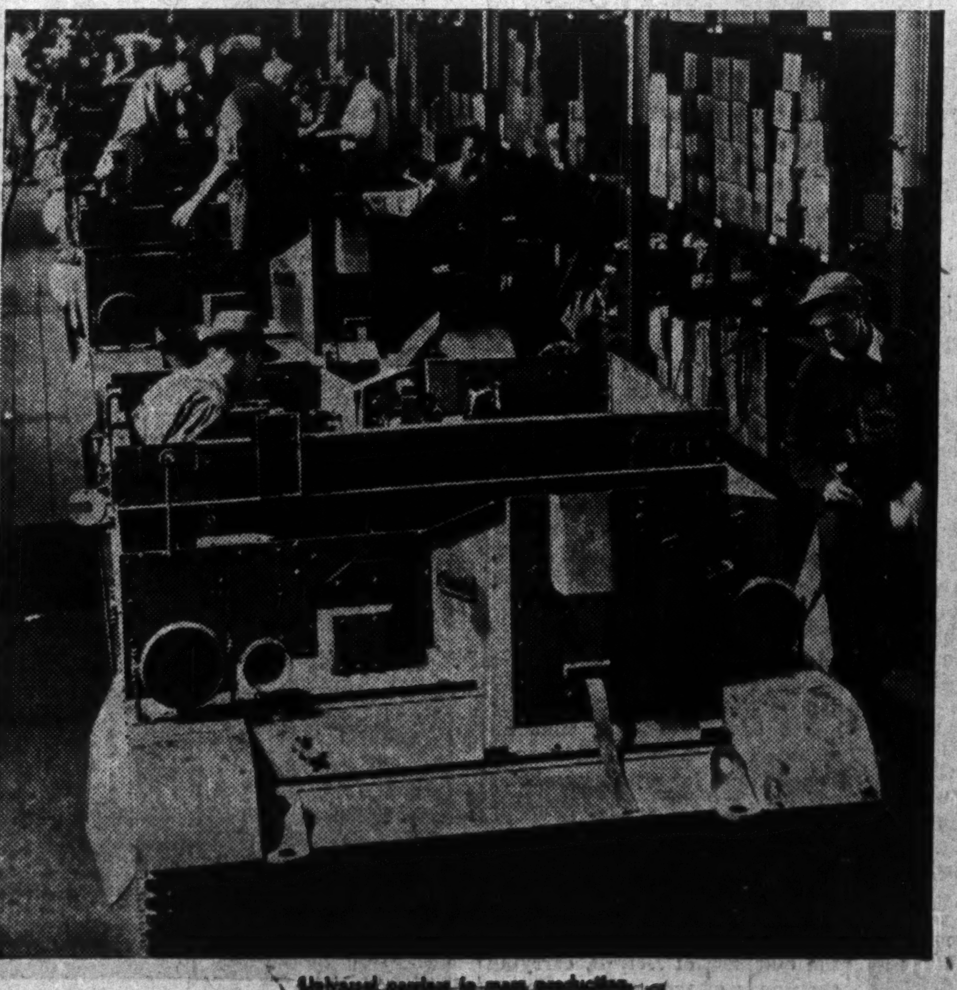
## Yesterday . . . .

One Car For Every Eight Canadians

Last peacetime car tells all.

## Today . . . .

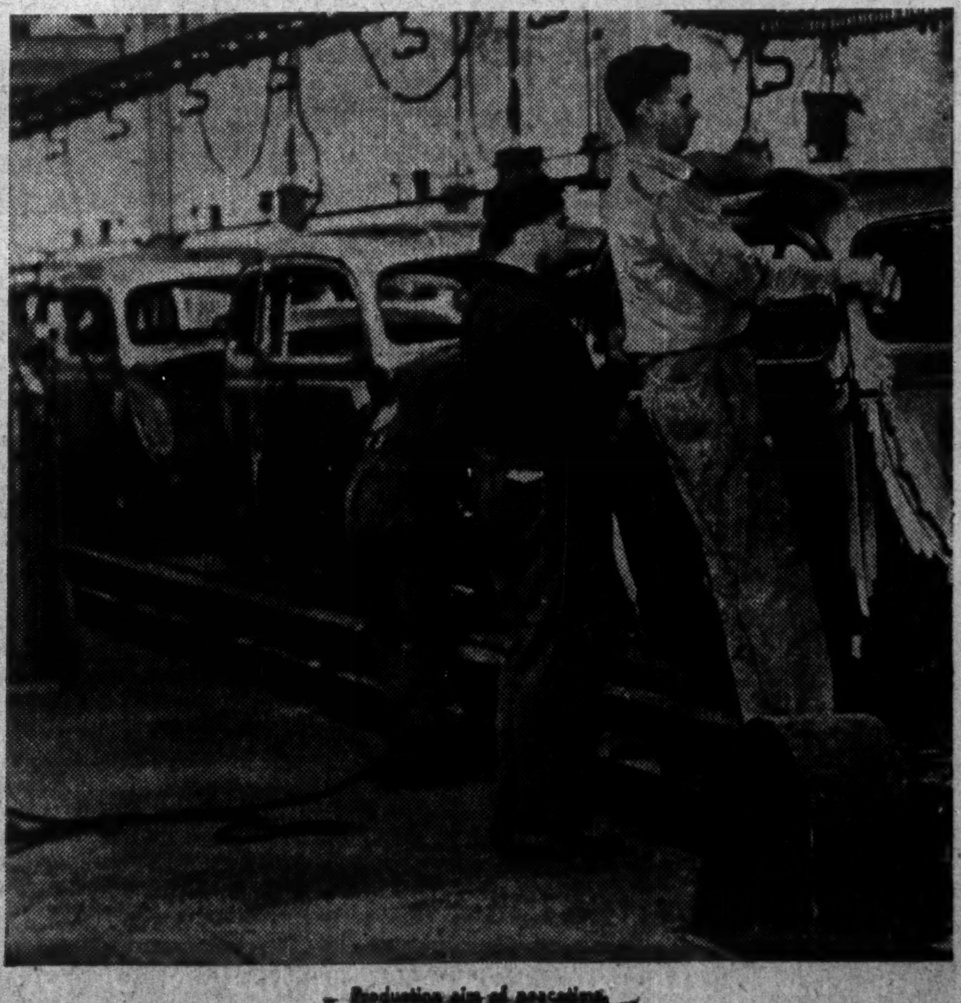
50% of Montgomery's Fighting Vehicles



Universal carriers in mass production.

## Tomorrow . . . .

One Car For Every Four Canadians?

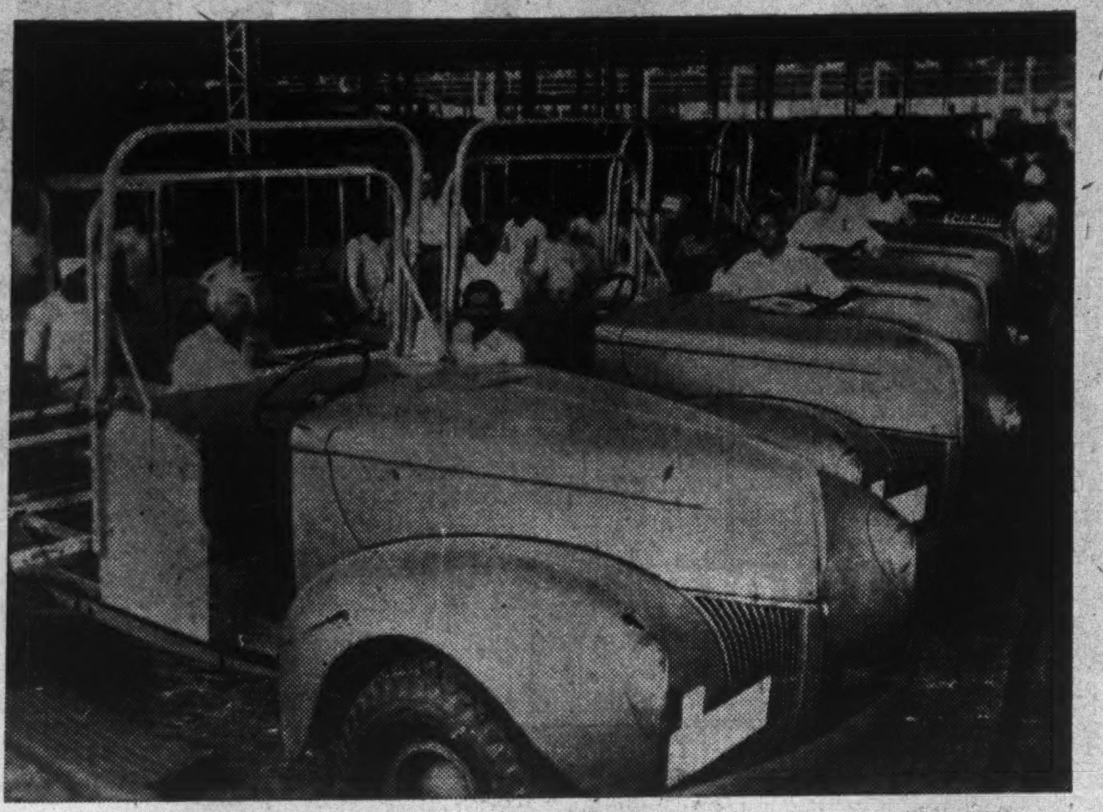


Production aim of peacetime.

**The Shift to War**

# Secret Weapon of Our Auto Plants

## *Mass Precision, New Processes, Produce the Vehicles for Victory*



*Heavily interested in the export market before the war, Canadian shipments of motor vehicles have gone overseas to an even greater extent since. Here is a line-up of Canadian-made truck chassis being fitted with various types of bodies in an Indian workshop.*

Back in 1936 there was a meeting in Toronto which—although not a word about it appeared in the newspapers at the time—may easily have altered the course of history.

In Germany, Hitler was laying plans for conquest, getting his armies ready to march. In Great Britain there were those who could spot war clouds rolling up in the distance, military men concerned with the defense of their country.

From these military men Ottawa received a heavy bundle of specifications — for mechanized army vehicles. London wanted to know what Canada could do in the way of producing these vehicles if the need arose. Ottawa ordnance experts sent an urgent invitation to leaders of the automotive industy, asked that their engineers get together, go over the specifications, find an answer for London.

Upshot was that representatives of the largest car manufacturers met in Toronto with ordnance officers, conferred for several weeks. Their trucks were compared piece by piece with the British specifications; potential developments were gone into in detail; the engineers shoved aside other considerations and frankly discussed who could produce which to best advantage—in the event of an emergency.

### Plan Laid

A definite plan took shape, was stamped with approval by the Department of National Defense.

Four years later the British evacuated Dunkirk, leaving their mechanized equipment behind them on the beach. German air power was a mighty menace to Britain, and the automotive plants of the United Kingdom, converted to aircraft manufacture, were frantically building planes for the R.A.F. and too busy at this to do much else.

Canada suddenly swung into focus as the Empire's chief source of mechanized vehicles, offered practically the only hope of replacing those lost at Dunkirk plus the vastly greater number that would be needed to equip a greater and more powerful army.

The plans formulated at Toronto, together with millions of dollars our big automobile concerns spent privately in prewar days on the development of military trucks, lorries, cars, gun carriers, began to add up in terms of history. They have been adding up that way ever since.

There are said to have been 40,000 made-in-Canada vehicles in the armada which invaded North Africa. That famous convoy which fought its way around Norway to reach Murmansk with supplies for Russia reportedly carried 30,000 Canadian vehicles.

And there is the epic story of the 30,000 vehicles, manufactured by Ford at Windsor, which were shipped to South Africa for assembly.

The 30,000 Ford units travelled under their own power 3,000 miles over the plains and through the jungles of Africa, provided transport for the men who drove the Italians from Abyssinia and Somaliland.

Today they are still in service, helping to carry the fighters of Montgomery's victorious Eighth Army. The forces in the Middle East are said to have as many as 150,000 Canadian vehicles.

### On All Fronts

Other military vehicles from Canada have crossed the Pacific, are being used against Japan. There is no major theatre of war in the world where the products of our Canadian automobile plants are not fighting in the front line—or carrying men and supplies to the front line.

About 20% of the value of our entire war production is represented by mechanical transport. Measured in dollars, deliveries of this equipment have been twice as great as ship deliveries, four times as great as deliveries of chemicals and explosives, twice as great as aircraft deliveries.

Last year alone our score was 215,000 units, and we have built more than half a million since the start of the war. Of the total, about 10% have been for the Canadian forces, while the balance have gone to Britain and the other United Nations.

### "Secret Weapon"

Many things have been called "secret weapons." But greatest of all secret weapons is the technique of mass precision — as exemplified by our automotive industry.

Mass precision is the basis of mass production, the thing that makes mass production possible. It means that any part for a certain car will do the job for which it was designed on any car of that model. It is, largely, a development of the industrialists of this continent.

Early in the present century three Cadillacs were shipped to England and completely torn down The parts were piled together and shuffled like cards in a deck. While members of the Royal Automobile Society looked on, mechanics reassembled three complete Cadillacs, proved that each part would work in each of the three cars.

That was one of the earliest demonstrations of mass precision. The idea grew and was improved upon as machine tools were improved, revolutionized industry.

### Parts Interchangeable

Today Canada's automotive manufacturers are carrying the technique of mass precision farther than they ever have before.

It has reached a point where the parts of different models, produced by different makers, are in many cases interchangeable. Thus the front end of an army reconnaissance car made by General Motors may fit the front end of a reconnaissance car made by Ford.

In warfare the advantage of this is obvious. It means there is less danger of a bottleneck on parts, means that repairs are facilitated, means that it is easier to salvage from the battlefield vehicles which have been wrecked.

The war has brought many problems, and many triumphs of engineering and production, to the automotive industry. For instance, most military vehicles have a four-wheel drive — what practically amounts to a "rear end" in the front as well as in the back. Few civilian vehicles have this. It was necessary for plants to switch over from two-wheel to four-wheel drive with a minimum of retooling, and with the least possible loss of time.

Increasing stress has been put on economy in production — in saving materials, manhours, machine tools. Some amazing results have been achieved in this direction.

For example a track sprocket for the universal carrier was originally turned out of boiler plate and hardened. It cost $30. Ford research workers found out how this sprocket could be produced by centrifugal forging, a process so exact that little machining was necessary. This cut the cost to $5.

The mileage life of the centrifugally forged sprocket is twice that of the sprocket made by the original process; thus the actual reduction is from $60—the cost of two old-type sprockets—to $5.

In 1941 the cost of a universal carrier was estimated at $5,000. Last available estimate of cost was $3,000, or 40% less.

Savings of this sort have not been restricted to the universal carrier but have applied, to a larger or smaller extent, right along the line.

The savings in money are indicative of the savings in materials, machine tools, labor, which are even more important in the present emergency.

**Four years before Dunkirk representatives of Canada's huge automotive industry met in Toronto, pushed other considerations aside, laid a general plan for producing military vehicles. This was to be brought into effect if and when the need arose.**

**The need did arise, and how well the plan worked out is demonstrated by the fact that Canada has been the chief source of motor transport for the forces of the Commonwealth, has shipped vehicles to every theatre of war. The Toronto meeting, which went unnoticed at the time, may well have altered the course of history.**

# 'Crowdbusters' Help Solve Transit Jam

A new type of vehicle, known as the "crowdbuster," may help solve the public transit problem in Canada.

The crowdbuster is a trailer converted for carrying passengers and attached to a truck tractor. Several are now being tried out, and Transit Controller George Gray has suggested their use in Windsor, Ont., where transit difficulties are acute.

Gilson Automobile Transport, Ltd., of Toronto, has four or five of these trailer bodies and expects to get more. Western Ontario Motorways, of London, and Stratford-Goderich Coach Lines, of Goderich, have each built one 55-passenger unit for their own operation. The Robert Elder Carriage Works, Toronto, has converted three of these trailers into 61-passenger units, with an estimated capacity of 100, standees included, for Brown and Brown, London, and for military units at Petawawa.

It is stated that many trailers which could be converted are available in Canada.

Across the border a number of crowdbusters are in operation on the outskirts of Detroit, carrying thousands of war workers.

SPREADING OUT TO HANDLE WAR WORK

The New WILSON MOTOR BODY WAR PLANT . . .

For many years this company was busy building a reputation for high quality bodies for motor trucks. The war found the Toronto plant well equipped but constantly increasing production demands necessitated greater capacity. The result is to be seen in the fine new buildings at Long Branch — here Canada's national needs require that our efforts be confined, for the duration, exclusively to war materiel.

When the War is Over, This Modern, New Plant will be in the Forefront of Canada's Peacetime Industries.

THE WILSON MOTOR BODIES LTD.
1466 Lake Shore Rd. Long Branch, Ont.

POWER WASTED HERE—
MEANS LESS POWER HERE
SAVE HYDRO
USE ELECTRICAL APPLIANCES WITH CARE

ELECTRICITY IS A WAR WEAPON *Save it!*

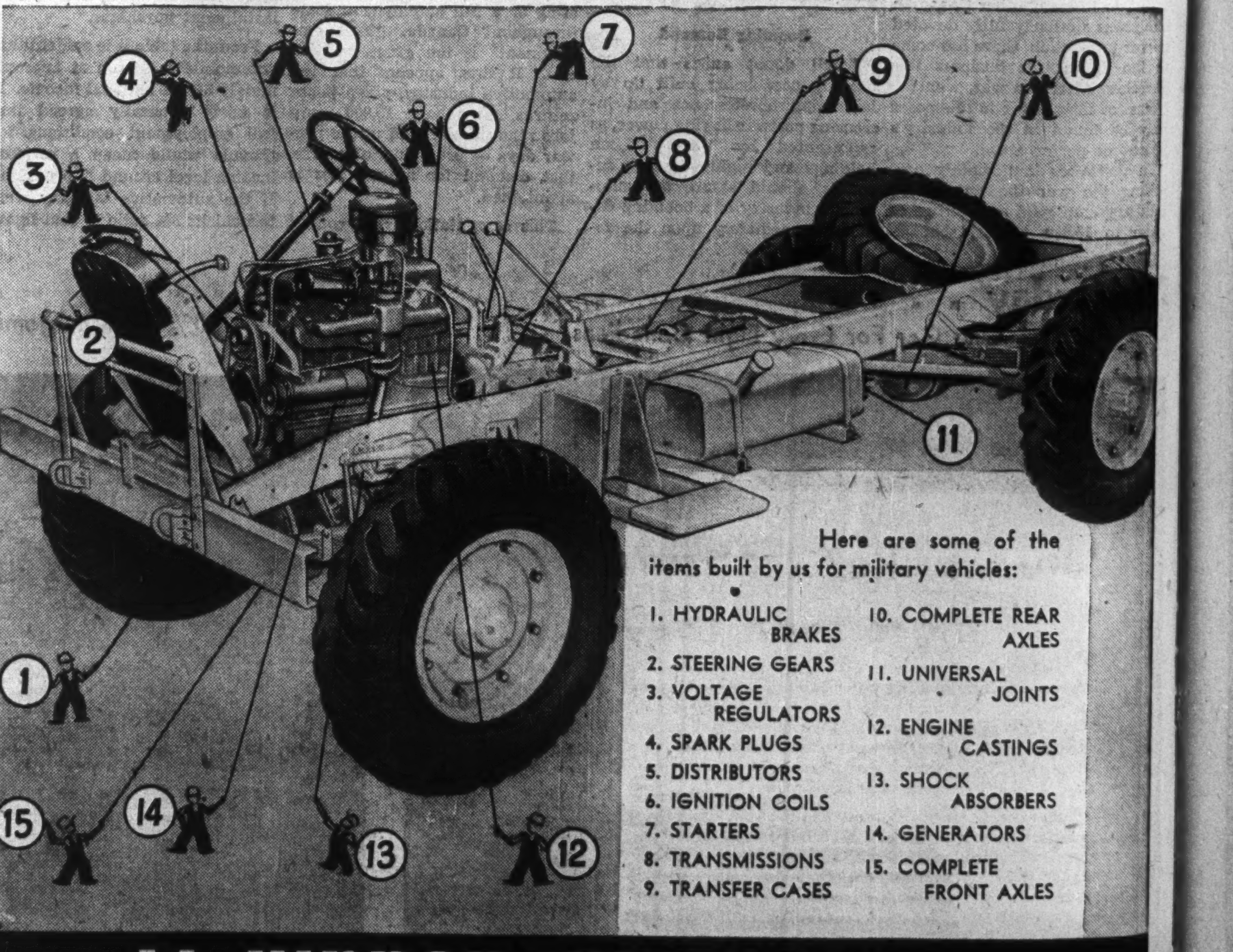
- One of the illustrations above indicates how electricity in the home is unwittingly diverted from war industries, the other shows a use of electricity in a plant where it is needed to produce the weapons of war.
- Electricity used unnecessarily in home, office or business deprives war plants of the power they urgently need. There may be no war plants in your community but the power you save can be made available to plants in other districts which need more electricity.
- Your wartime savings of electricity may not be reflected in a great reduction in your costs—because Hydro rates are low. But, by conserving electricity, your savings combined with those of thousands of other consumers releases a tremendous flow of power—a direct contribution to the war effort.
- Electrical research today is opening the door to amazing new developments which will provide better peacetime living when Victory is won. In the meantime use electricity sparingly—it has a great duty to perform—to help win the war of production.

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO

FROM ST. CATHARINES TO CENSORED

Official war photographs often show trucks, gun tractors, reconnaissance cars and other mobile units in action! Do you know that much of this material of modern war is built in Canada? Do you know that much of the trucks themselves is built by The McKinnon Industries? A look at the partial list below will show you what we mean!

Automotive parts are only one of many items being turned out on a high-speed production line basis by McKinnons. Every foot of space—every facility—every one of nearly 5,000 employees is "Working for Victory!"



Here are some of the items built by us for military vehicles:

1. HYDRAULIC BRAKES
2. STEERING GEARS
3. VOLTAGE REGULATORS
4. SPARK PLUGS
5. DISTRIBUTORS
6. IGNITION COILS
7. STARTERS
8. TRANSMISSIONS
9. TRANSFER CASES
10. COMPLETE REAR AXLES
11. UNIVERSAL JOINTS
12. ENGINE CASTINGS
13. SHOCK ABSORBERS
14. GENERATORS
15. COMPLETE FRONT AXLES

The McKINNON INDUSTRIES LIMITED
ST. CATHARINES ONT.
*For Over Twenty Years Makers of Quality Parts for the Automotive Industry*

**Petroleum Industry at War**

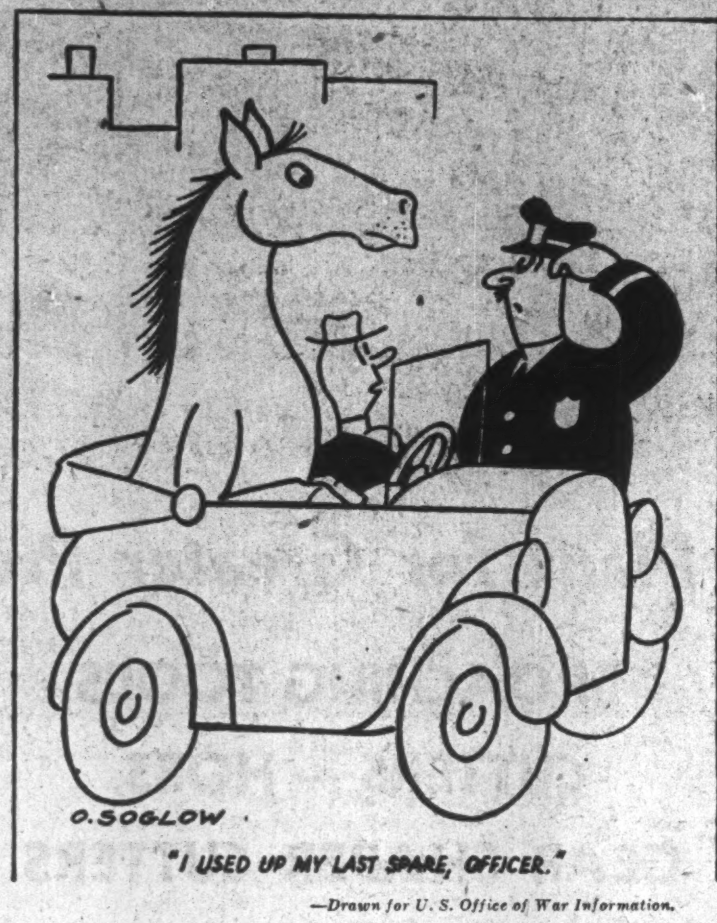
# Oil Enters a New Era

## *War Has Developed New Products, Wider Uses*

Refining petroleum used to be a simple operation. Crude oil was put into a still which was little more than a glorified kettle, heat was applied, and the result roughly corresponded to gasoline, kerosene, or something of that nature.

This is a far cry from the situation today. Petroleum refining is now governed by exact science of chemistry. The work of the engineer and scientist is essential in devising and managing delicate control instruments and apparatus. Refineries are more complex, their products meet more exacting standards.

It is claimed that there are 300,000 or more chemical compounds which can be made from the hydrocarbons of petroleum. Many of these are important; others are little more than laboratory curiosities as yet. But the trend is definitely toward specialty products designed to do specialized jobs.



"I USED UP MY LAST SPARE, OFFICER."

—Drawn for U. S. Office of War Information.

### Marketing Base Broadened

The war hastened this trend. It has developed so many new uses, hastened the adoption of so many others, that it appears inevitable that peace will find the oil refining industries with a broadened base of products and markets.

Aviation gasoline, production of which is simple, is being turned out in great volume now.

Petroleum is being used as the source of materials for the butadiene, the styrene and the other ingredients of the more common types of synthetic rubber.

Of great importance, in view of petroleum engineers and chemists, is the development of toluene, a chemical today mostly used in making explosives, of which the well known trinitrotoluene (TNT) is best known.

Today two standards of aviation gasoline are in production in Canada. By far the greater proportion is the gasoline rated between 85 and 90-octanes, which is used in planes of the British Commonwealth Air Training Plan. In much lesser volume is made the 100-octane gasoline which powers fighting aircraft on operational duties.

Making aviation gas is not as simple as making ordinary motor gas. It is a case of combining three different elements. In the first place the refiner starts with a carefully selected crude petroleum, which will give a high yield of best grade gasoline through ordinary distillation processes. With that he blends alkylates, products of petroleum refining which are ordinarily gases, but which give remarkable results in improving octane ratings and other tests which aviation gasoline must meet.

In ordinary aviation gasoline the blend is said to be around 80% straight refinery product and 20% alkylate. To the mixture will be added tetraethyl lead compound, widely known as "Ethyl" fluid, an agent which improves the qualities of ordinary motor gasoline.

That the existence of capacity to produce annually perhaps 56 million barrels of 100-octane aviation fuel on this continent will have some effect after the war on the automobile industry, is generally accepted.

On a pound for pound basis, 100-octane aviation fuels give about 20% more power than the 87-octane grades and 50% more than the 70-octane gasoline, which was regarded as top grade only ten years ago. Already, refiners claim to be able to produce gasoline which might be given an estimated octane number of 115 or better. Such fuels could deliver half as much power again per pound as the 100-octane fuel.

To make the best use of this demands engines designed for the purpose, something which would require considerable change in the everyday automobile engine. The day when the average motorist will drive up to a gasoline pump and fill his tank with 100-octane gasoline may still be some distance in the future, but the war has at least brought it closer.

**Chemists and engineers are turning petroleum into a prime source material for many divergent industries. Synthetic rubber, 100-octane gasoline, perfumes, dyes and plastics may lead oil into a new postwar phase.**

Besides the butadiene going into the Buna-S type of synthetic rubber, other types are also made from petroleum. This story is told in greater detail in an article on synthetic rubber elsewhere in this issue.

Acetylene has heretofore been made almost entirely from calcium carbide produced in the electric furnace. But now large plants are under construction in the United States to produce acetylene from some of the gaseous products of distillation of petroleum. The process is said to be more economical, and some petroleum chemists suggest it may displace the older process.

Acetylene is essential in the manufacture of certain cellulose-acetate plastics through its intermediate product, acetic acid or acetic anhydride. Thus petroleum becomes a source of materials for plastics, for synthetic rubber, for certain newer type fabrics such as nylon. Acetylene itself is widely used in welding and cutting of metals.

### Plastics From Petroleum

Production of plastics requires tremendous quantities of special types of solvents, or "plasticizers," as they are called.

Best present source for these is petroleum. From it can be made various alcohols, formaldehyde, acetaldehyde, ketones and many other types of solvents.

Under normal circumstances, the by-product coke ovens of the steel industry and the manufactured gas plants produced all the toluene which can be absorbed. But war places unusual demands on this product, through enlarged requirements of explosives. Reports suggest that from 250 to 300 million gallons of toluene are required annually in the present war. Perhaps not more than 10% of this will come from the coke ovens The balance will be produced from petroleum hydrocarbons by the oil industry.

This fact is more true of the United States than it is of Canada. In this country we have an adequate supply of toluene from coke ovens to meet our needs and are not at present forced to make it from petroleum.

### Perfumes From Oil

This demand for toluene will slump tremendously when no more explosives are needed. But toluene is a valuable chemical, and, when the petroleum industry can produce it cheaply enough, it is claimed by chemists that it can become the base of what are known as the aromatics, or perfumes to the ordinary person, and of many dyes.

Ethylene glycol was familiar to the average motorist before the war as a non-evaporating anti-freeze mixture, known under various trade names. Today all ethylene glycol is used by the armed forces. But basically ethylene glycol has been one of the most important chemical products of the petroleum industry. The material is recognized as a colorless, odorless, sweet-tasting liquid of almost oil consistency. It is used as an anti-freeze and as a solvent for certain explosives.

Ethylene glycol is only one of this group, many others of which have, or promise to develop, important industrial uses.

Soap companies are making what they call detergents from petroleum. Detergents are still known colloquially as "duck scuttlers," a name which came from the early advertisements for this product, derived from its property of dissolving the oil from a bird's feathers and thus destroying its buoyancy.

Today, detergents made from petroleum are beginning to replace soaps made from vegetable oils, due to the growing scarcity of the latter. It is possible that after the war the public will be using more detergents as soap.

### Ammonia From Gas

Ammonia is another vital product during wartime. It enters into nitric acid, essential in making most types of explosives.

Canada has a huge plant making ammonia from the natural gas of the Alberta oil fields. Recently enlarged, this plant is today turning out undreamed of quantities of ammonia. After the war, peacetime uses could probably be found for much of it as ammonia enters into the making of many products, one of the chief of which is commercial fertilizers.

There are other examples of the growing chemical basis for the petroleum industry. A large group of products can be made by treating the various hydrocarbons of petroleum with chlorine.

Petroleum chemists claim synthetic butter and lard are not beyond possibility, probably made from synthetic glycerine, in turn coming from propylene, a petroleum product.

Broadening the base of the petroleum industry started when newer methods of refining, the cracking process, or even newer catalytic refining methods, were developed. These made possible an increased yield of the most desirable product, motor gasoline. Today, motor gasoline is disappearing in favor of aviation gasoline and the residual products, such as fuel oils for the navy and merchant marine. It is a good example of the flexibility of the petroleum industry that these needs can be met without pioneering in unknown fields.

Call it Lightning!
—SAY THE PILOTS

NOBODY had time to name this Lockheed fighter plane when it was born. They just called it by a number, P-38.

Then the pilots sent it climbing over eight miles straight toward the stratosphere, up where even the highest-flying bombers couldn't go. They brought it screaming down out of the clouds like forked vengeance. They jammed down the throttle and it flew faster than any fighter ever flew before. They pressed the trigger-button and saw how *concentrated* fire-power from its cannons and machine guns could rip apart anything on wings—and there was only one name for it: *Lightning.*

So that's its name, a name it earned from British and American pilots alike, a name to watch: Lockheed *Lightning*. Lockheed Aircraft Corporation ... Vega Aircraft Corporation ... Burbank, California, U. S. A.

for protection today, and progress tomorrow, look to

Lockheed

FOR LEADERSHIP

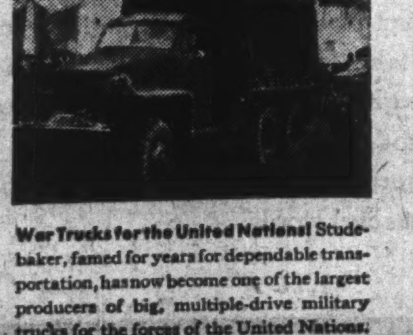
Studebaker craftsmen again give "more than they promise"

The devastating bombing power and matchless fighting power of the Boeing Flying Fortress make comforting daily items in the war news. Much of the flying power for this invincible dreadnaught of the skies comes from Studebaker, long regarded as one of the world's foremost builders of motor car engines.

Studebaker, America's oldest manufacturer of highway transportation, is privileged to collaborate with Wright, America's oldest producer of airplane engines, in this vital assignment. And Studebaker is also building much other war materiel including tens of thousands of big, multiple-drive military trucks for the forces of the United Nations.

Today, as for generations past, Studebaker craftsmen make their watchword—*"give more than you promise."* Every Studebaker employee is justly proud of the achievements of his organization in the arming of the United Nations.

BUY WAR SAVINGS STAMPS


**War Trucks for the United Nations!** Studebaker, famed for years for dependable transportation, has now become one of the largest producers of big, multiple-drive military trucks for the forces of the United Nations.

Studebaker BUILDS WRIGHT CYCLONE ENGINES FOR THE Flying Fortress

The Corvettes are coming...

● Yes, and they're the Johnnies-on-the-spot that have put so many U-Boats *on the spot!*

Off the ways of Canadian shipbuilders, corvettes are sliding in ever-increasing numbers. Out they dash, with propellers churning—tough little dogs of steel, fangs ready to close on the sea-snakes of the deep—bigger, better corvettes than those which helped win the first Battle of the Atlantic.

Speed is their watchword, speed that must be transmitted from power-plant to propeller. And into the all-important link—the propeller shaft—must go flawlessly dependable steel. *Steel that will not fail!*

To Dosco—one of Canada's largest industries—has been entrusted the job of producing propeller shafts for many of Canada's corvettes and the ships they convoy. Aboard these vessels of our growing fleet is found evidence of the scope of Dosco's vast resources—shell-cases, gun-mountings, ship-plate, and other vital war matériel.

*The corvettes are coming!* And Dosco's steel will shoulder its full share of the burden.

*In one of Dosco's forging sections, a corvette's link between power and propeller, is born — the propeller shaft is forged.*

DOSCO

DOMINION STEEL & COAL CORPORATION LIMITED
Only Producer of Steel and Steel Products in Canada Wholly Self-Sustained Within the Empire
PLANTS, WAREHOUSES AND SALES OFFICES ACROSS CANADA

**Automotive Industry at War**

# You Can't Stump the Car Makers

## *Auto Industry Has Proved It Can Build Almost Anything*

*With the war the automotive industry has shouldered many new jobs that have little to do with motor transport. Here a girl worker of General Motors inspects a Browning machine-gun*

Canada and her allies urgently needed machine guns.

At Windsor, Ont., a group of automotive engineers were called together and shown the deadly Browning, which can spit 1,100 rounds of ammunition a minute.

They were told that the government wanted their industry to make these weapons.

None of them knew anything about guns; what they did know about was mass production. They examined the 150 odd parts that go into the Browning, studied the blueprints and specifications, rolled up their sleeves and went to work.

In a matter of weeks plans had been drafted to manufacture Brownings in the way that automobiles are manufactured.

Under the supervision of General Motors of Canada a million dollar building was put up and equipped with $7 millions of machinery. At this plant, that of Border Cities Industries Ltd., hundreds of employees have for many months been turning out what has been called "one of the most destructive weapons in the armament programme of the United Nations."

The automotive engineers and production experts broke the manufacture of the Browning down into a series of comparatively simple operations—about 1,800 of them in all.

This meant that although the making of such a gun calls for a high degree of precision, and would ordinarily require craftsmen of great skill, Border Cities Industries could — and did — use workers who, for the most part, were unskilled or only semi-skilled. A large proportion of the employees are girls.

**Apart from mechanized transport, many other implements of war roll off the assembly lines of Canada's automotive industry, among them guns, gun mountings, aircraft fuselages, fire control instruments. The war has proved that if you can build automobiles, you can build almost anything, and that you can very often build it more efficiently than it was ever built before.**

**In addition, the skilled technicians of the automotive industry have served frequently as "trouble shooters," have helped plan mass production programmes for other industries.**

### Build Many Things

This war has proved that if you can make automobiles you can make almost anything — that the technical brains and skills of the automobile industry, confronted with a new and unfamiliar job, can very often find a way to do it better than it has ever been done before.

Here are some of the products being manufactured by, or with the assistance of, Canada's automotive industry—

**25-pounder guns**
**Browning machine guns**
**Tank components**
**Machine tools**
**Naval gun mountings**
**Shell components**
**Aircraft fuselages**
**Aircraft components**
**Gun parts**
**Gun sights**
**Fire control instruments**
**Shells**
**Anti-tank gun carriages**

Ford of Canada has, of course, concentrated its gigantic plant mainly on production of military transports and universal carriers, which some people call "baby tanks." But these preoccupations have not prevented it undertaking other tasks.

For instance Ford, by a centrifugal process, is casting the cylinder barrels for "Cheetah" aircraft engines. This has eliminated most of the machining involved in the method by which these barrels were made in England, and resulted in important savings in metal, machine tools and man hours.

One of Ford's top executives said recently: "We like to tackle a job nobody else can do." It was no idle boast.

With the need for economy, the need for producing more from the same amount of materials and labor, becoming constantly more important, there are good examples of how this can be accomplished in what has been done at the big Oshawa plant of General Motors.

### Major Economies

Tooling up to produce gun mounts, Oshawa engineers felt a large amount of critical material could be saved by making these of structural steel instead of the cast steel hitherto used.

They built a structural steel mount experimentally. British authorities put this to all manner of tests, approved the results, authorized production of the structural steel mounts.

These mounts serve as well as the old type, cost $275 each instead of $504, require 600 pounds less steel.

At McKinnon Industries, Ltd., in St. Catharines, a G.M. subsidiary, change in design and a streamlined manufacturing process have cut the cost of manufacturing fuses by almost two-thirds.

Originally the fuses were machined out of brass; today they are made of a zinc alloy, by a die-casting method which has meant a great speeding up, entails a minimum of machining.

At Regina, General Motors has a plant which built or assembled cars and trucks for western Canada up to July, 1941. It used to take around three months to retool this plant for the annual changes in car models.

In Aug., 1941, a start was made in the major project of converting this unit for the manufacture of carriages for anti-tank guns. A complete remodelling job was necessary. Old tools had to be removed, 348 new machine tools installed.

Under the urgency of war this went ahead so rapidly that in six months the first gun carriage rolled off the line—the forerunner of a large and steady stream of gun carriages.

### Automotive Technique

Such is the technique of the automotive industry, with its assembly-line principle, that it lends itself readily to the use of subcontractors.

The industry has taken advantage of this fact and utilized the services of many small but efficient manufacturing establishments. This has not only facilitated production, but has enabled these establishments to carry on at a time when shortages of materials for civilian use might otherwise have suspended their operations.

Even automobile sales agencies have in some cases rallied to the war effort—and incidentally found a means of earning their way despite the restrictions on production and sale of civilian cars—by installing machine shops in their vacant space, to turn out bits and pieces for war plants.

Back in Aug., 1939, Sorel Industries Ltd. started to build a big gun plant. No gun experts were available in Britain or the United States, so technicians from France were enlisted. By April, 1940, machines were turning out the plant's first units.

When France collapsed, the French technicians went back home.

### Plan Programme

The Canadian Government asked Chrysler Corp. of Canada for assistance and this company supplied the services of highly-trained executives and technical experts, who assumed responsibility for getting the plant into operation on a mass production basis.

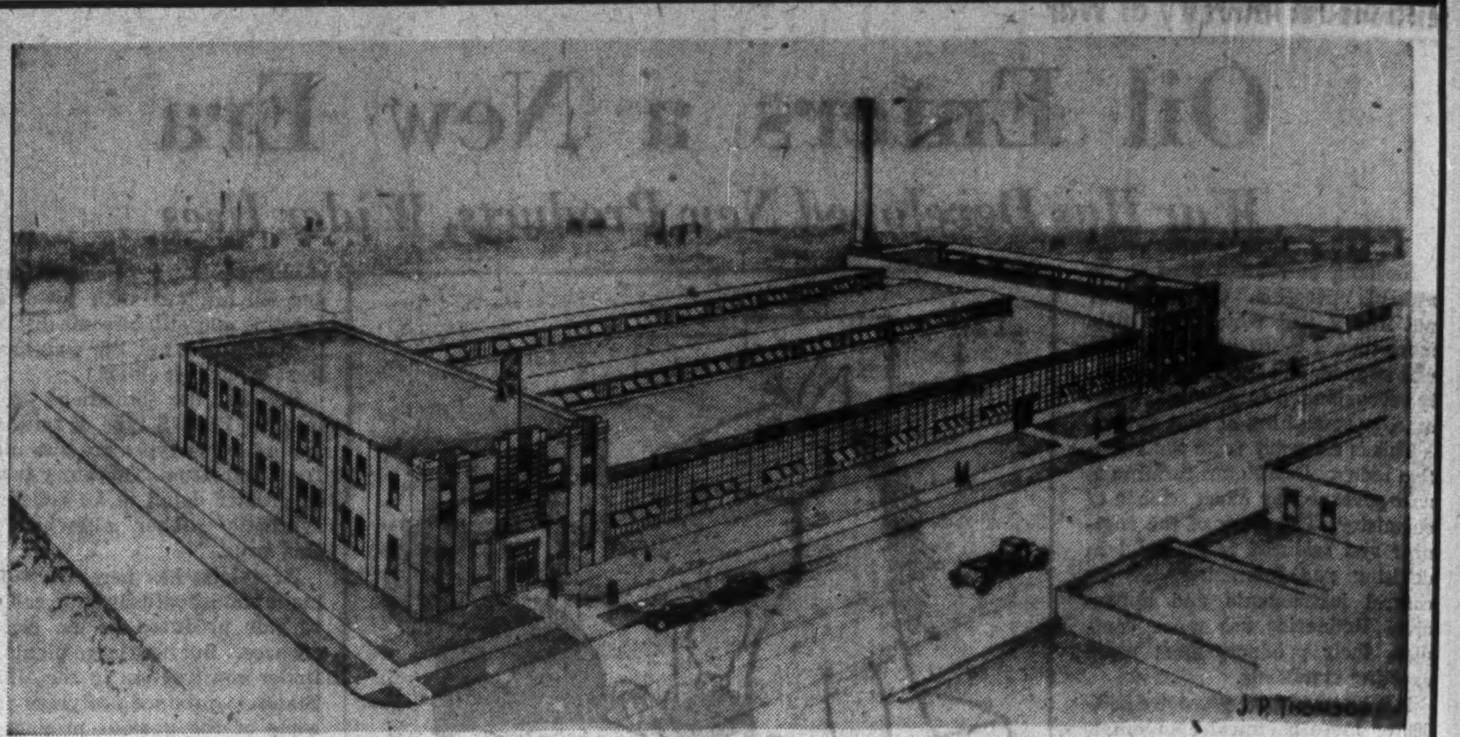
Here was another case in which the automotive technique proved itself; today at Sorel guns and carriages are being turned out complete, from scrap iron to finished weapons.

Like General Motors and Ford, Chrysler has also taken on the production of other weapons and components, in addition to the production of mechanized vehicles.

The experience which the automotive industry has had in building and rebuilding machine tools is a factor which has proved invaluable in the assignments which have been given it since the war started.

This has facilitated the elimination of bottlenecks and has likewise led to substantial economies. By rebuilding a multiple-type machine tool for a tank job, one firm was able to replace six additional machines for other war work.

This incident is fairly typical of what has happened on a large scale, is indicative of the resourcefulness with which the industry has met and overcome problems to speed production for victory.



A New Plant for Greater Production

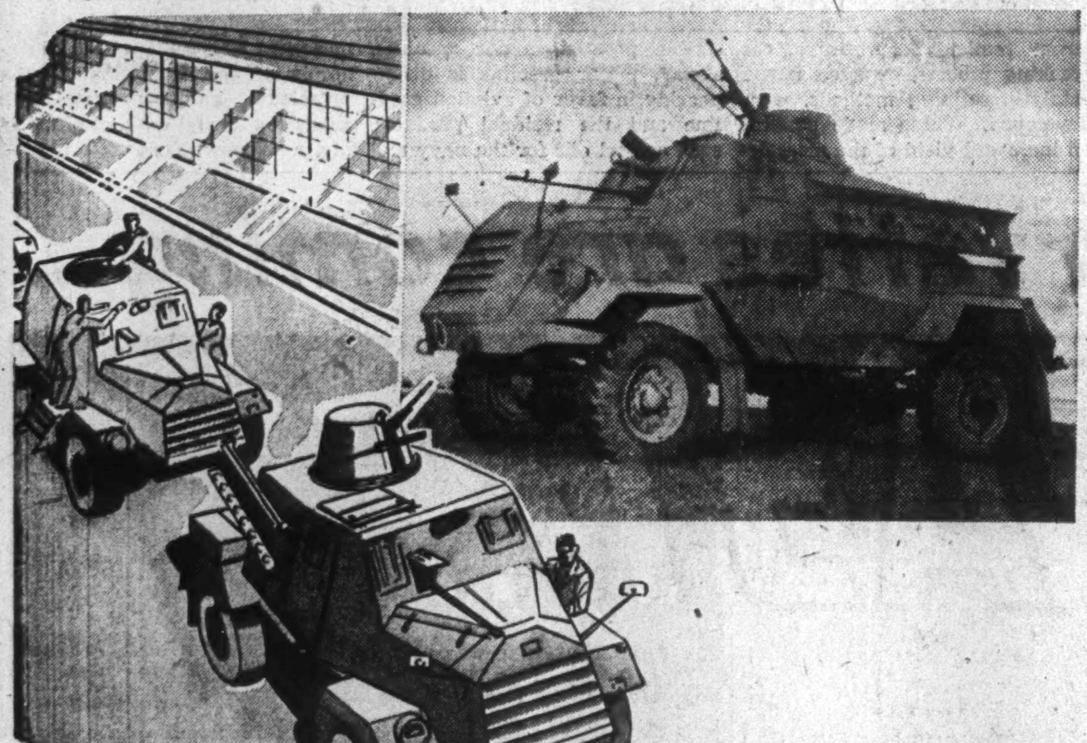
*Work — Lend and Save, for Victory. Buy War Savings Stamps and Certificates regularly. During the month of March, support your local Red Cross drive.*

BROACHING TOOLS
CUTTERS — HOBS
GEAR SHAPER CUTTERS

*All Kinds of*
FORM and SPECIAL TOOLS

*Above is an architect's drawing of our new plant, now under construction, which will give us increased facilities for greater production.*

COLONIAL TOOL CO.
LIMITED
WINDSOR ONTARIO



NAZI-DESTROYERS
by HAMILTON BRIDGE

Producing the hulls of enemy-destroying vehicles like these is but one of Hamilton Bridge Company's contributions to the war effort. All our energy is being bent to help supply Canada's fighting forces with the best . . . in the least time possible. As long as armored units are needed, Hamilton Bridge Company stands ready to fill the demand as quickly as the energy and skill of our loyal employees will permit.

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Not only is Atlas turning out record tonnages of fine tool and special steels, but it is all of consistently high quality. Exact analysis and specifications in melting at Atlas Steels is typical of every producing department throughout the plant. This, coupled with chemical and metallurgical control of the highest order, assures the continuous production of finest quality in special steels.

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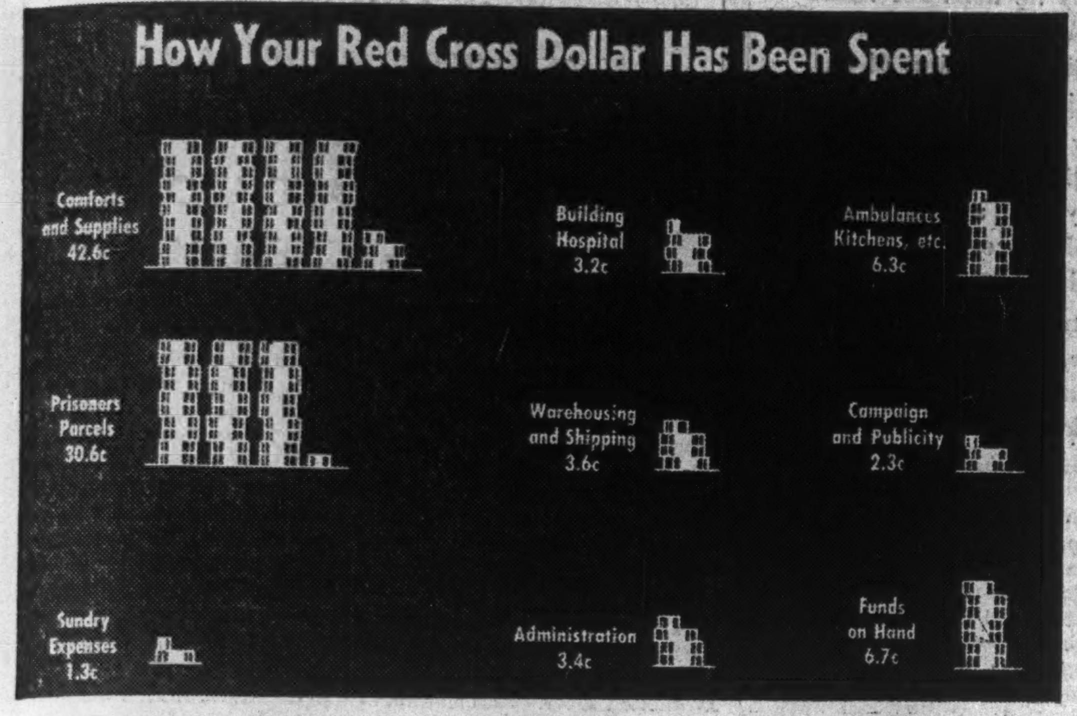
**Millions for Mercy**

# Canadian Red Cross Needs Another $10 Millions

## *Huge Sum Required to Provide Parcels for Prisoners, Comforts for Fighters, Other Services*



*From war's outbreak to the end of last year the Canadian Red Cross Society spent $26 millions to save lives, ease suffering, provide parcels for prisoners of war, make our fighting men more comfortable. Chart shows how much of the total was allotted to different branches of the huge war effort of the Red Cross.*

Since Sept., 1939, the Canadian Red Cross Society has spent about $26 millions to provide food parcels for prisoners-of-war, gifts for members of the armed forces, aid to British air raid victims and disaster relief.

This huge sum has been contributed by Canadians everywhere.

Altogether, the Canadian Red Cross had a membership of more than two millions at the end of 1942, or about one person in every five of our population. In addition—although probably included in this total—close to one million Canadian women are giving their services free to Red Cross work. The membership includes over 850,000 members of the Junior Red Cross branches in practically every city, town or village across the Dominion.

Work on the wartime scale of the Red Cross takes a lot of money. This money has come from gifts and donations of every description. This year it has to cover work on a much extended scale. For example, the Canadian Red Cross is currently sending 100,000 food parcels overseas every week, supplying the soldiers, sailors, airmen, merchant navy men and civilians of Canada and her Allies who are prisoners of war. Altogether, the Canadian Red Cross has budgeted for $5.5 millions in 1943 for this one need.

Take another example. Early in 1941 the Canadian Red Cross was asked by the Dominion Government to undertake organization of blood donor clinics across Canada. The objective, at that time, was to provide 2,000 donations of blood weekly. By the end of 1941, this service was getting well organized and about 1,700 blood donations were being received each week. Total for 1942 was 181,091 donations from 33 clinics across Canada or an average of 3,482 donations each week. This is an amazingly high average when it is considered that many of these clinics were in operation only a matter of weeks before the end of the year.

Record week so far in 1943 showed 6,258 blood donations and the ultimate objective for this year is 12,000 donations each week. For this service is budgeted $250,000, or 2.13%, of the coming Canadian Red Cross $10 millions campaign.

All these are only a few of the reasons why the Red Cross is going to ask Canadians for $10 millions in a nation-wide drive to be launched March 1.

In Sept., 1940, $5 millions was asked and $6¼ millions given. There was no campaign in 1941 but in May, 1942, when $9 millions was asked, the total received was $12 millions.

The Red Cross is big business. It is an auxiliary of the Department of National Defense and, as such, submits its audited statements to the Auditor-General of Canada. These statements show that, from the beginning of the war to the end of 1942, the $26 millions spent by the Canadian Red Cross Society was divided as follows:

| | |
|---|---|
| Comforts for armed forces, navy, merchant marine, air-raid sufferers, and hospital and medical supplies | 42.57% |
| Prisoners of war food parcels, covering cost of food, supplies and shipping | 30.60 |
| Designated purposes including ambulances, mobile kitchens, blankets, hospital and medical supplies, and food sent to Britain | 6.33 |
| Building and equipping hospital at Taplow, England | 3.21 |
| Warehousing, packing and shipping in all divisions at ocean points and Great Britain | 3.60 |
| Disaster and emergencies, sundry war expenditures and grants | 1.28 |
| Campaign and publicity | 2.28 |
| Administration | 3.40 |
| Available funds remaining | 6.73 |

These figures summarize the cold facts of the job the Red Cross is doing. But they neglect entirely the intensely human side of its operations. To Canadians with relatives who are prisoners-of-war, food parcels for prisoners mean much, but to the many more Canadians who have no near friends or relatives held by the enemy, it is not such a close interest.

But to prisoners and internees released through exchanges, food parcels sent by the Canadian Red Cross were a very real help. These men know from first hand what it means to be held in prison camps in wartime. The tribute they pay is high.

### Two Million Parcels

This is work that the British Red Cross would normally handle but early in the war, air raids and food conservation requirements brought a request that the Canadian Red Cross handle the job. Under the direction of Norman C. Urquhart, formerly a Toronto broker, an organization was established that so far has sent two million food parcels overseas. This includes parcels for the Australian Red Cross and the New Zealand Red Cross, both of which are paying for this service.

More than 400,000 cards have been returned signed by men who have received parcels.

This year, the job of providing food parcels for the prisoners-of-war is destined to become the largest item in the Red Cross budget with the objective 100,000 parcels a week. Each parcel costs $2.50 laid down in Switzerland, is carried free of charge by Canadian railroads and steamship companies, distributed from Geneva by the International Red Cross, with which the Canadian Society is affiliated, and weighs 11 pounds. Thousands of Canadian women volunteers do the packing job in five packing centres in Toronto, Montreal, Hamilton, Windsor and Winnipeg, using the latest assembly-line principles as developed by large-scale industry. Each parcel contains:

| | Quantity oz. | | Quantity oz. |
|---|---|---|---|
| Prunes | 8 | Milk powder | 16 |
| Sugar | 8 | Butter | 16 |
| Jam | 16 | Cheese | 4 |
| Biscuits | 16 | Corned beef | 12 |
| Chocolate | 8 | Pork meat | 10 |
| Salt, pepper | 1 | Salmon | 8 |
| Tea | 4 | Raisins | 8 |
| Soap | 2 | Sardines | 4 |

### Women's War Work

Since the beginning of the war, women's war work committee groups under the leadership of Mrs. W. R. Campbell, Windsor, have prepared some 20 million articles for hospital supplies, comforts for the armed forces, air raid victims in Britain and others. In three months alone last year, from July to September, some 945,000 articles were shipped overseas, of which almost half were for civilian relief. In addition, some 300,000 articles were distributed in Canada and Newfoundland during the same three months.

Shipwrecked sailors are grateful to the Red Cross. In the past they were supplied with clothing and necessities if they were landed at Canadian ports but this service has been extended. Now, all Royal Canadian Navy and merchant navy ships leaving Canadian ports carry a supply of dunnage bags containing warm clothing, underwear, socks, toilet articles, etc., so that when shipwreck survivors are picked up at sea they can be completely re-outfitted right on the spot. In addition, a monthly grant of $10,000 is sent from Canada to the British Navy League and nine other societies in Britain to be spent on materials and supplies for the navy and merchant marine.

Ranking relatively small in dollar cost, but unusually high in lives saved, is the blood donor service organized under a group of prominent doctors. New methods have been adopted of preparing a dried serum which can be kept indefinitely, can be given in transfusions to anyone regardless of the blood classification of the individual and only requires dissolving in distilled, sterilized water for use. Connaught Laboratories, Toronto, do the processing.

The Canadian Red Cross Society has not forgotten our Allies. Early in 1941, for example, it became apparent that everything possible should be done to aid the Russian Red Cross because of the tremendous casualties suffered in that country's stout resistance to the German invader. An immediate contribution of about $250,000 of supplies was made from stores in Britain. Since that time, aid to Russia has included value of goods and services up to $2 millions. From August to November last year, shipments to Russia included hospital tents, cots, stoves, tools, clothing, drugs, etc., to the value of more than $300,000.

Canadian Red Cross aid to other Allies included supplies and comforts to Poland, Greece, Belgium, Jugoslavia, Czechoslovakia, Fighting French, Norway, Holland and China.

Arrangements with the British Ministry of Shipping permit all Red Cross goods to go overseas free of charge and Canadian railway and express companies extend the same free transport service to and from all parts of the country. These free services have saved the Red Cross hundreds of thousands of dollars since the war began.

All this does not mean that the Red Cross has forgotten its responsibilities to Canadians for peacetime services.

Its outpost hospitals continue to provide medical and public health services in isolated communities. More than 50 of these institutions were in operation in Canada in 1941, treating thousands of patients. Travelling medical and dental clinics in Ontario and Quebec contine to operate and Red Cross nurses still examine thousands of school children on visits to schools in outlying districts.

This highly efficient service, inaugurated by the Red Cross immediately after the last war, through sparsely settled areas in Canada, goes steadily on and grows apace. Home nursing and first aid courses are conducted; nurses are enrolled for emergency services; highway first aid posts are maintained.

More than normal provision is being made for possible disaster relief, at a time when possibilities of such an event are greater than usual. Disaster relief organizations at seaboards and other vulnerable points include 47 emergency hospital units, 19 mobile surgical units, and vast quantities of hospital supplies and relief clothing.

Hospital and medical supplies required large sums last year. The ultra-modern 600-bed hospital at Taplow, England, was completed in 1940 but its supply and equipment was kept up. This unit is so designed as to be of use in peacetime and it is the intention of the society to make arrangements for its continuing use after the war. Miscellaneous grants were made last year to various societies, chiefly in the United Kingdom, engaged in caring for those suffering from the ravages of war.

(Continued on page 20)

### Why the Red Cross Needs $10 Millions

| | $ | % |
|---|---|---|
| Food parcels for British and Canadian Prisoners of War in Europe | 5,000,000 | |
| Food parcels for Canadian prisoners in the Far East | 500,000 | |
| Total | 5,500,000 | 46.81 |
| Hospital supplies and merchandise purchases for comforts for armed forces and civilians | 3,000,000 | 25.53 |
| Disaster and Emergency, including help to Allied Red Cross Societies | 1,250,000 | 10.64 |
| Blood Donor Service | 250,000 | 2.13 |
| Other War Expenditures | 600,000 | 5.10 |
| Total War Services | 10,600,000 | 90.21 |
| Administration | 350,000 | 2.98 |
| Campaign and Publicity | 300,000 | 2.55 |
| Peace Time Requirements | 500,000 | 4.26 |
| | 11,750,000 | 100.00 |
| Less Available Funds | 1,750,000 | |
| OBJECTIVE | $10,000,000 | |

**Since war's outbreak the Canadian Red Cross has spent $26 millions to save lives and ease suffering. This money has provided parcels for prisoners of war held by the Axis, comforts for the armed forces, blood transfusions for the wounded, aid for bomb victims, disaster and emergency relief, other services to fighters and civilians. To carry on this great and merciful work, $10 millions is needed in 1943, will be contributed by Canadians everywhere.**

CANADA BUILDS ... AND PAINTS

ALWAYS AT THE FRONT

R.C.A.F. Photo

Aviation advances simultaneously on many diverse fronts, and the success of all depends on each. There are engineering problems regarding the engine, problems of structural design, and problems regarding the finish for bodies and wings. All are interdependent. "TITANINE" pioneered wide in the intricate field of airplane finishes and assisted in the adventures of such famous trail-breakers as Alcock and Brown, DePinedo, Cobham, Kingsford-Smith, Byrd, the Mollisons. Today it is on every allied battlefront, a part of the United Nations' equipment for victory.

The Army-Navy "E" Burgee has been awarded to Titanine Inc. by the U. S. War Department in recognition of especially meritorious production and quality of "TITANINE" aircraft finishes.

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ACTION ON TWO FRONTS
EXPLOSIVES
EXPLOSIVES

WAR FRONT:

Trucks equipped with Brantford Bodies are serving the allied Nations on the War Fronts of the World ... Bodies built to complement the ruggedness and dependability of the chassis ... to stand the strain of convoy duty ... to match the stamina of the men of our fighting armies.

HOME FRONT:

Trucks equipped with Brantford Dump Bodies and Brantford-Anthony Hydraulic Hoists are helping in the gigantic Alcan Highway project. Brantford Trailmobile Trailers carry vital war goods, foodstuff and material throughout Canada. Thousands of Brantford Bodies serve the "Home Front" in all public services.

*Recommended and Sold by truck dealers across Canada.*

BRANTFORD TRAILMOBILE SEMI-TRAILERS
•
BRANTFORD-ANTHONY HYDRAULIC HOISTS

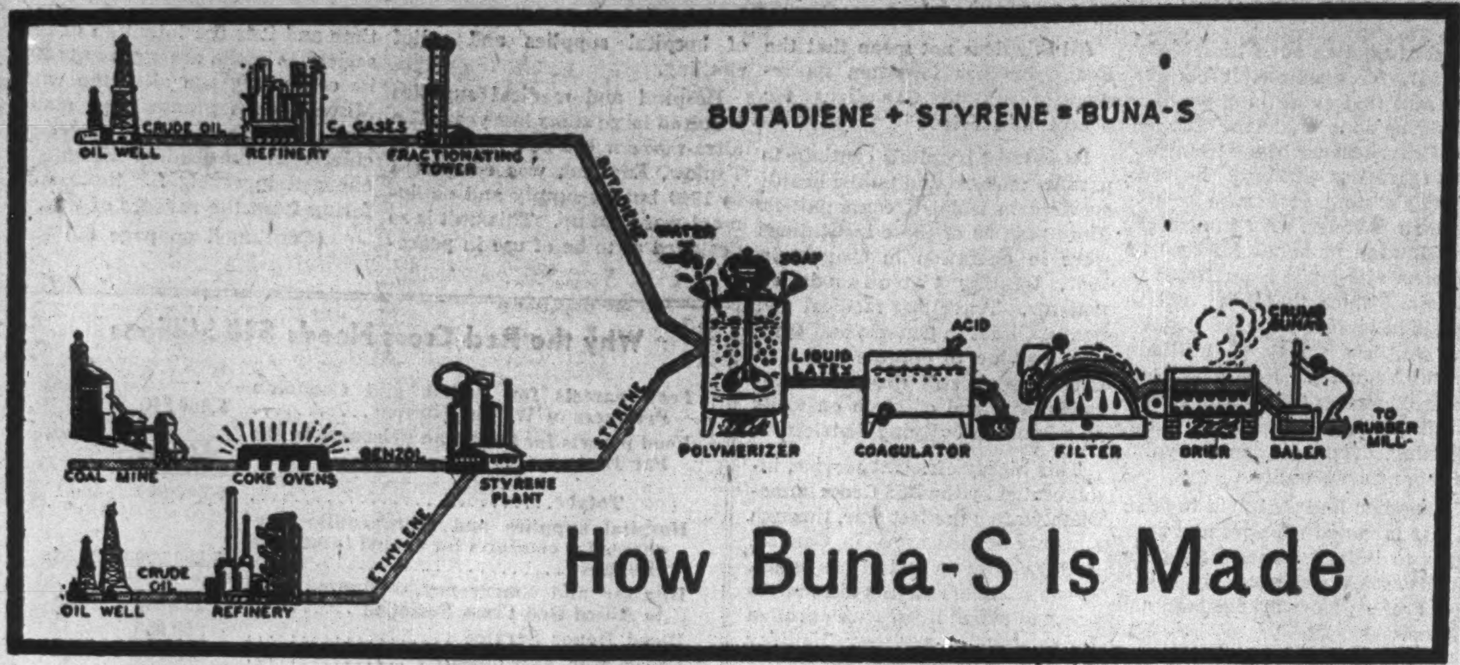
BRANTFORD BODIES

BRANTFORD COACH AND BODY LIMITED — HEAD OFFICE AND FACTORIES — BRANTFORD, ONT.
BRANCHES LOCATED AT WINDSOR, TORONTO, OSHAWA, OTTAWA AND MONTREAL

**Synthetic Rubber**

# Our Target: 41,000 Tons a Year

## *Huge Sarnia Synthetic Rubber Plant to be Producing by Fall*



*Gases given off in petroleum refining, chiefly butane and butene, are changed into butadiene. Styrene, the other main material for Buna-S rubber, is made by combining ethylene, another petroleum gas, with benzol, recovered from coke-oven operations. The only fundamentally new portion of the process takes place in the combination, or co-polymerization, of butadiene and styrene. This is accomplished by mixing butadiene, styrene, water, a catalyst and an emulsifier (soap). The resulting Buna-S rubber comes out like milk or natural rubber latex.*

Offsetting the loss of our sources of crude rubber is a tremendous programme of synthetic rubber production.

The United States has undertaken the largest proportion of this, but Canada is building a $45 millions plant which will provide about 41,000 long tons of synthetic rubber a year when capacity output is reached sometime in 1944.

This plant will be in production next September, according to Munitions Minister C. D. Howe, who maintains that it will remain an important postwar industry, making Canada independent of foreign sources of rubber.

The project has not all been smooth sailing. The famous Baruch Report, issued last September, established the pattern for the U. S. development. Canada has had to fit in with this, and it is significant that William Jeffers, U. S. rubber czar, in a recent article about the synthetic rubber programme, lumped our plant at Sarnia, Ont., with those in the United States.

Difficulties in securing equipment, recognition that military rubber requirements can be pared down, the fact that Ceylon, with its 100,000 tons of annual rubber production, is now safe, and likelihood that the new plants will probably be able to produce more than their rated capacity, have led to a revision in plans in the United States.

The immediate programme in the United States calls for facilities with a rated capacity of 452,000 tons annually, or only 43.6% of the million-ton capacity first proposed.

Experience indicates that actual capacity may prove to be higher than 452,000 tons—perhaps as high as 600,000 tons.

Rubber plants compete for high priority materials, such as heavy steel plates and alloy steels, with other war industries producing such things as naval escort vessels, high octane gasoline for airplanes, cargo ships, explosives. A synthetic rubber unit requires intricate control instruments, valves and heat exchanges, almost identical with those needed by refineries which make high octane gasoline and toluol, a material used in explosives.

More than 2,000 men are busy building the plant at Sarnia. It had been expected that 50% of the equipment needed for this would have to come from the United States, but present indications are that Canadian manufacturers will be able to provide 75%. This has helped assure that there will be a minimum of delay in construction.

### Means Process Changes

Manufacturers admit they expect trouble when the time comes to process synthetic rubber in large quantities. Specifications have to be changed, as will chemicals for vulcanizing and processing. It will be necessary to use a different type of carbon black. Calendering and curing synthetic rubber is not the same. Additional machinery may have to be installed.

It boils down to an effort to accomplish in one year what would normally require ten, but it is expected obstacles can be overcome through the combined knowledge and skill of the rubber, oil and chemical industries.

There is some question whether normal cotton cord tire fabric will suit synthetic rubber, which generates more heat, the worst enemy of such tire fabric, particularly when used in heavy truck tires.

More use of rayon cord tire fabric, which resists heat better than cotton, may result.

### Gasoline From Rubber

Our situation can be contrasted with that of Japan, which now controls about 90% of the world's rubber producing areas, and is faced with a glut of crude rubber. Recent reports indicate that Japan has a plant in operation near Kuala Lumpur, Malaya, which is making high octane gasoline from crude rubber.

Gasoline and rubber are chemically alike, each being composed of hydrocarbon molecules. To make gasoline from rubber, however, means what chemists call "destructive distillation," a breaking down process whereby the hydrocarbon molecules are separated into their own components.

Producing synthetic rubber is a task involving the assembling of molecules, like putting your watch back together after it has been taken apart for repairs. Experts suggest that an oil refinery could be adapted to producing gasoline with rubber as a raw material in perhaps three months without much trouble. The cost is estimated at about $100 of capital to obtain an annual capacity of one ton of gasoline. By contrast, it takes $600 to get an equivalent capacity for producing synthetic rubber from petroleum.

### Canada's Set-up

Canada's annual synthetic rubber capacity of 41,000 tons will get its raw materials from petroleum refinery gases and coke-oven byproducts. Present plans do not provide for use of alcohol, although this source is not ruled out finally. Use is being made of existing technical skill and experience of Canadian rubber manufacturers, chemical companies and oil refiners.

The set-up calls for refinery gases, mostly butane, from Imperial Oil's Sarnia refinery to be used in Polymer feed preparation units. This part of the plant is to be operated by Imperial Oil. From it will come ethylene, isobutylene and butylene. The isobutylene will be made into butyl rubber by St. Clair Processing Corp., a subsidiary of Imperial Oil, by a process developed by Standard Oil.

St. Clair Processing Corp. will also operate the unit converting butylene into butadiene.

The ethylene, plus benzine obtained from coke ovens, will be converted into styrene, the other major raw material for Buna-S rubber, in a plant built by Polymer Corp. and operated by Dow Chemical Co. of Canada.

Canadian Synthetic Rubber, Ltd., a private company wholly owned by Goodyear Tire & Rubber Co. of Canada, Dominion Rubber Co., B. F. Goodrich Rubber Co. of Canada, and Firestone Tire & Rubber Co. of Canada, will "polymerize" the butadiene and styrene into Buna-S rubber. This will be done in a plant being built and to be owned by Polymer Corp., the government-owned agency responsible for getting the programme underway.

### Postwar Position

When completed, synthetic rubber plants in Canada and the United States may have a great effect on postwar political and trade relationships. Dr. H. I. Cramer, Philadelphia, recently outlined this before the Royal Canadian Institute in Toronto. He stressed the fact that this synthetic programme means that people on this continent would have something to say in determining the price of natural rubber through possession of the synthetic production capacity.

By the end of 1944, Canada will be able to produce around 34,000 tons of Buna-S annually and another 7,000 tons of Butyl types of synthetic rubber. Normal annual consumption of rubber in Canada is around 40,000 tons, while that of the United States is about 600,000 long tons. By the end of 1944, if plans are completely carried out, the United States would be producing about 1.2 million long tons of artificial rubber of which 850,000 long tons would be Buna-S.

Authorities emphasize that synthetic "rubber" is not really rubber at all, but a number of substitutes with rubber-like characteristics. Synthetic rubbers are tailored to specific jobs, whereas natural rubber has a wider variety of applications. For some of these applications it is better than synthetic rubber, while in others the synthetic product is superior.

Synthetic rubber's prime raw materials—butadiene and styrene in the case of Buna-S—can be obtained from a variety of sources. The present programmes in Canada and the United States use petroleum as the major source of butadiene.

**At Sarnia, 2,000 men are hurriedly completing Canada's huge synthetic rubber plant, which will have a capacity of 41,000 tons a year. This is roughly equivalent to our peacetime rubber consumption, is expected to meet all our war requirements. The technical skill and experience of our rubber, chemical and oil industries are behind the programme, pooled knowledge and co-operative effort are smoothing the kinks, and present indications are that production will start in September.**

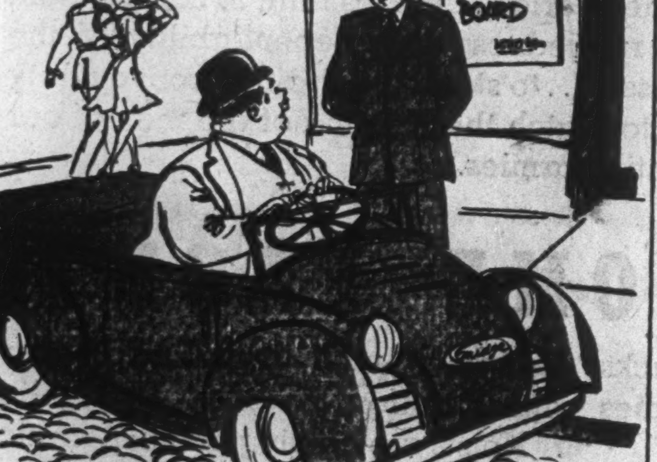
## Synthetics: Main Types

**BUNA-S** — Most important item in United Nations' programme; will be used chiefly in tires of all kinds; resists abrasion, aging and sunlight.

**BUTYL** — Occupies second place in programme; will probably be used for inner tubes, mechanical rubber goods, footwear, rubber rafts, etc.; resists diffusion of gas, heat, aging and chemicals.

**NEOPRENE** — Widely used for gasoline hose, leak-proof gasoline tanks, insulation for wires; is probably best all-round substitute for natural rubber; resistant to fire, chemicals, oil, sunlight.

**THIOKOL** — Substitute for reclaimed natural rubber in tire retreads; also used in gasoline hose, airplane de-icers, printing rolls and engraving plates, etc.



"... I HOPE THEY'LL REGARD IT AS A SORT OF ONE-MAN CAR POOLING."

—*Drawn for U. S. Office of War Information.*

## Red Cross Needs $10 Millions

(Continued from page 19)

All this required an important and capable administrative staff. It meant advertising and publicity to bring to the attention of Canadians the various special appeals made last year. Yet the total spent for publicity and advertising was only about 2.28% of funds raised to date and total administrative expenses were only 3.40% of total expenditures.

The total of ambulances donated to the Red Cross since the war started in 1939 is 318 and a very large proportion of these has gone overseas.

Early in the war, 36 mobile kitchens, each capable of feeding 250 people at a time, and each costing $3,287, were sent to England. The National Fire Fighters use these kitchens during bombing raids and other emergencies.

Junior Red Cross has a membership of 857,156. They have donated six ambulances, 14 mobile kitchens, seven utilicons, two station wagons, one mobile canteen, and endowed a bed at a military hospital. They also maintain 14 war nurseries in England.

### STEEL HELMETS

The protective shell of a steel helmet weighs 1¾ pounds and will withstand the impact of a heavy revolver bullet fired at a range of 30 inches. Nearly 500,000 helmets have been ordered for Canada's services so we must all buy our share of the 5,000,000 War Savings Stamps needed to pay for them.

### RATION KIT

Two War Savings Certificates will more than pay for a lifeboat ration kit which will feed one man adequately for eight days.

CANADIAN WRIGHT
LIMITED
Exclusive Agents in Canada
For
Wright Aeroplane Engines
ASSEMBLING OVERHAULS
GENERAL SERVICE
HEAD OFFICE AND WORKS
6259 Notre Dame St. East, Montreal

Look Up, Mr. Farmer!

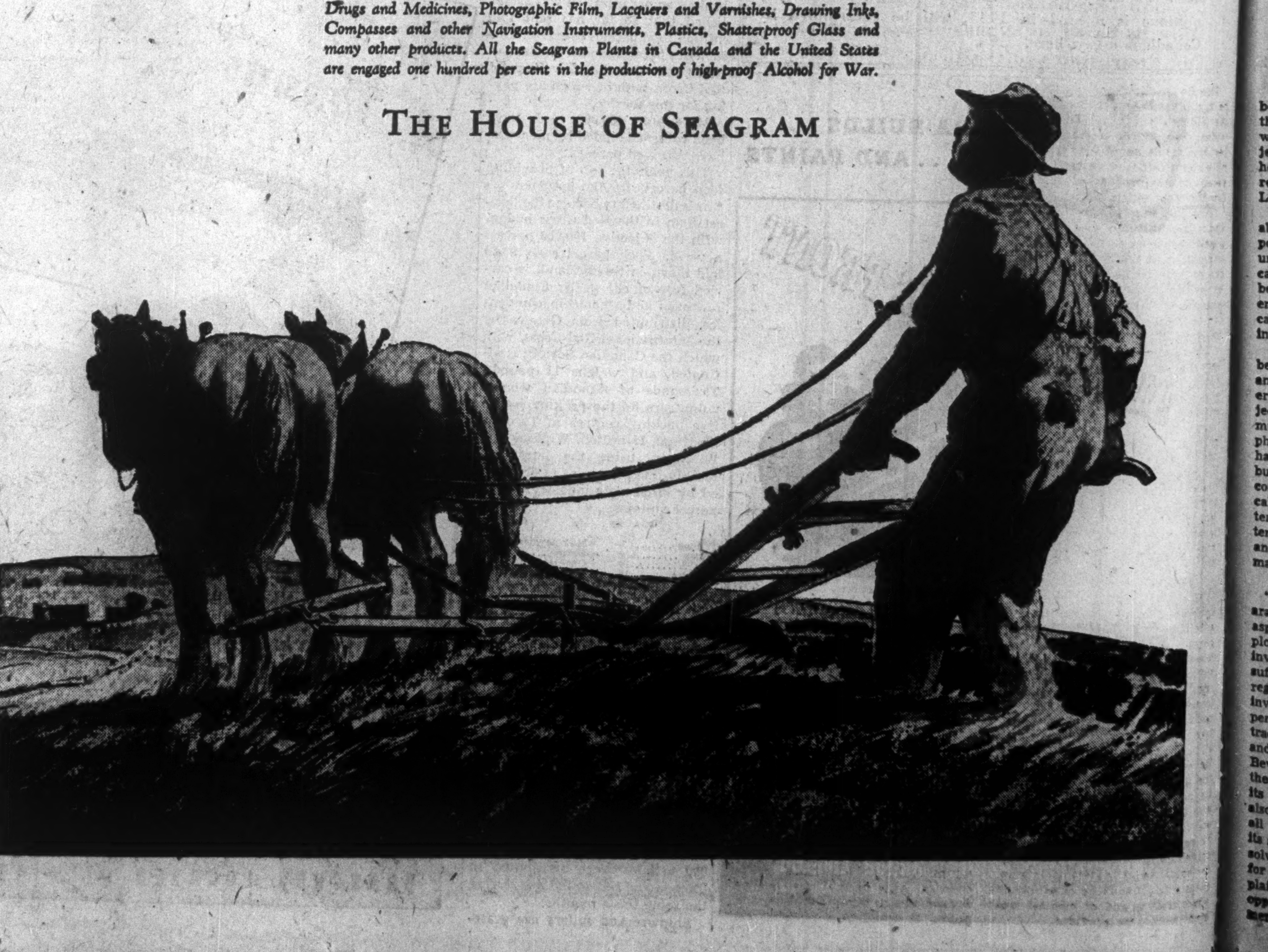
LOOK UP, Mr. Farmer. There they go, on their way—to blast a hole in the ocean where a submarine lurks or maybe to fix a Messerschmidt so it can't get home. Whatever their mission, you've a big hand in it. From the grain you planted and then prayed and perspired over came that all-important agent of war—high-proof alcohol. And from that alcohol came the rubber for the tires, the explosives in the bomb racks, the plastic for the shatterproof windshields. You couldn't point to a square foot of those planes that isn't somehow dependent on high-proof alcohol.

When you bend to your plough again, Mr. Farmer, and the furrow starts rolling over, you're helping to bury as vicious an enemy as mankind ever had. For your fields are the starting point for tons of smokeless powder and rubber and other vital supplies which are going to our army, navy and air forces all over the world. And you are a prime source of pharmaceuticals which help guard the health of our fighting men and speed their recovery from battle wounds.

It takes an almost countless number of things to win a war, and a great many of them, Mr. Farmer, begin with your grain. You grow it and we'll make it into high-proof alcohol. Together, we'll finish the job Hitler and Co. will wish they hadn't started!

*Alcohol for War is used in the manufacture of High Explosives, Synthetic Rubber, Drugs and Medicines, Photographic Film, Lacquers and Varnishes, Drawing Inks, Compasses and other Navigation Instruments, Plastics, Shatterproof Glass and many other products. All the Seagram Plants in Canada and the United States are engaged one hundred per cent in the production of high-proof Alcohol for War.*

THE HOUSE OF SEAGRAM



**Mechanized Equipment**

# Our Vehicles Do a Fighting Job

## Dominion's Armed Forces Roll on Canadian Wheels

*One of the most telling answers to the tank has been the six-pounder anti-tank gun. Light and mobile, with a tremendously high muzzle of velocity, its six-pound solid shot is reported capable of stopping the largest enemy tanks. Here General Motors employees test the recoil mechanism of the gun.*

**Canada produces 116 types of military vehicles. These are serving on practically every battlefront. Some are specialized types to meet clearly defined needs, others are versatile and capable of pinch-hitting in any number of circumstances. This year will bring further expansion in the number of types we produce.**

In 1914 when 2,000 Paris taxi cabs jolted to the Marne, rushing poilus to stem the German tide, the wartime place of mechanical transport first burst into dramatic headlines.

Today's war of manoeuvre depends largely on the speeding wheels and driving horsepower of mechanical transport.

Part of the story of mechanized equipment is represented by plunging tanks, slashing scout cars and other hard-hitting products that do the actual fighting. But as these fighting units move forward they compound the problem of supply. Food, fighting equipment and relief for the wounded must keep pace with the combat units. This puts a heavy burden on the wartime version of the peacetime commercial carrier.

Germany, in its years of preparation for World War II, recognized the importance of this type of transport, built its famed autobahnen—wide highways primarily for military use.

### Foresaw the Need

Canada, too, saw the vital place of motor transport for war.

The Canadian army, said to be one of the most highly mechanized in the world, moves entirely on Canadian-made vehicles except for some of the heaviest types.

The motor industry is virtually one large arsenal working to capacity for the United Nations. Last month Munitions Minister C. D. Howe reported that Canadian plants have turned out mechanical transport and other fighting vehicles, which if parked on the roadside, would form a column 1,000 miles long.

Official word is that Canadian vehicles are rated very highly by all users, and within the range of tasks for which they are designed are considered preferable to other makes. The Germans admit their superiority and have ordered that when captured they be used for the more difficult tasks in preference to their own.

For the many and widely varied needs of modern war Canada is producing 116 different types of military vehicles. The list is:

**Canada is Producing**

Universal carriers.
Wireless trucks (3 types).
Ambulances (4 types).
Field workshops (12 types).
Fire trucks (3 types).
Army mechanized transport (90 types on 12 different chassis).
Reconnaissance cars.
Scout cars.
Armored cars.

### Emphasize Combat Cars

Notable during 1942 was the heavier emphasis placed on manufacture of combat cars. Last year these types were added to the list:

Scout cars.
Armored vehicles.
Reconnaissance car.
Armored car.
Armored 4-wheel drive.
Gun portees.
6 x 6 workshop.
Office and wireless vehicles.
Dental vehicle.
Light ambulance.
Various workshops.

The number of types will be expanded during 1943. What they will be has not yet been announced but some of their qualities may well be shaped by invasion plans.

### Cars for Cavalry

In the days of slow-moving war army reconnaissance was carried out largely by cavalry. Today's reconnaissance battalions are equipped with scout cars—not unlike peacetime passenger cars but carrying armor and known in army slang as "blitz buggies."

As their name signifies, scout cars are primarily used for quick dashes to reconnoitre the enemy's position—the job formerly done by cavalry. Running mate of the scout car is the armored reconnaissance car. This "recce" car is completely covered with armor plate, sports a turret and resembles a tank on wheels.

One of the best known fighting vehicles produced by the Canadian automotive industry is the universal carrier. Capable of hitting up to 45 m.p.h. these low-slung World War II creations resemble baby tanks without a turret. On their full caterpillar treads they can travel over very rough terrain, quickly transporting gun crews to vantage points. Originally designed for Bren gun work these carriers are now also being used to transport mortar crews into action.

Another important fighting vehicle is the rugged, snub-nosed artillery tractor, equipped with four-wheel drive and capable of hauling three tons of gun and limber, plus ammunition, through bush and over terrain that would stop a farm tractor.

The Canadian industry produces three types of wireless truck. These units move with the combat forces, enable a close instant contact to be kept between different sections of the army.

The 12 types of mobile workshops carry equipment to repair transport vehicles on the spot, saving valuable time and often rescuing valuable equipment. A cousin of this branch of the fighting forces is the four-ton wrecker, equipped with a tremendously powerful crane and a winch fore and aft, enabling it to pull itself out of a hole by its own bootstraps. This wrecker has six sets of wheels and a six-wheel drive—"six by six" in army parlance. It has acetylene equipment and an air pressure tank. Prime purpose of the wrecker is to transport equipment back to where it can be repaired.

Behind the fighting vehicles there must be thousands of transports. These trucks are versatile with the various types being interchangeable for many types of duties. The 8 cwt., 15 cwt. and 30 cwt. lorries are used for hauling supplies, personnel and ammunition while the latter two types usually have a rear attachment that enables them to haul a field gun.

Many other types of vehicles have specialized uses. For instance, on the 15 cwt. chassis is a water car carrying a large tank of water for thirsty fighters, along with a purifying system. Other examples are ambulances, fire trucks, air force refuelling tenders and flare path trucks with a revolving turret for emergency lighting of air fields. More versatile are station wagons, air force freight carriers and air force utility tractors that haul aircraft, bombs, ammunition or almost anything else to be moved around a flying field.

Together, all these types of vehicle represent a tremendous Canadian contribution to the war effort. This contribution is a complete one—fast-moving vehicles to spot weaknesses in the enemy's positions, hard-hitting fighting vehicles to smash at those weaknesses when they have been found, and tough, rugged vehicles to follow the fighting and do essential job of keeping the supply lines open.

*The universal carrier has proved its fighting value in the North African battle zone and on other fronts where mobility has been a major factor. The steady flow of these vehicles from the Ford Motor Co. of Canada is continuing at a high pace, with production simplified and costs lowered by Ford technicians. Here a carrier negotiates a 65-deg. slope on the Ford testing ground.*

# War Causes Lunch Box Boom Demand for Them Up 3,000%

In one out of every three Canadian families someone now takes a lunch box to work, according to a survey by the Empire Tea Bureau. Orders for lunch boxes are running 3,000% ahead of peacetime and the users include not only men and women in the skilled and unskilled labor groups, but hundreds of business executives and professional men.

Undertaken as a study of the effects of rationing on workers' lunch habits, the bureau's survey revealed that only 6% of the workers who use lunch boxes have discontinued carrying tea or coffee because of rationing. One third of these who continue to do so, however, secure their supply from the allowance of some other member of the family. The study showed that 77% of the workers who take a thermos to work fill it with hot tea and half of those who carry lunch boxes are employed in the war industries.

The first modern-type lunch box was introduced in 1909 after the perfection of a vacuum flask which could be carried in a horizontal position without fear of breakage. It provided thousands of workmen with an opportunity of packing a supply of hot tea and a nutritious lunch into a sanitary container which could withstand hard knocks and rough usage.

The original lunch box, called the "doghouse" because of its shape, has been superseded by many others. The influx of women into the war industry has resulted in the design of small, brightly colored boxes modelled after the hundreds of thousands sold to school children. The shortage of metals is speeding the introduction of the fibre-type lunch box, while postwar plans, anticipating a more universal popularity for the lunch box, call for a wider use of plastics and other modern materials.

# Sees Beveridge Report Challenge For Today

## London "Economist" Says Postwar Planning Must Be Based on Expansion and Adaptability Not Restriction and Ossification

The Beveridge report continues to be a subject for much discussion in the United Kingdom. Due to the widespread interest in the same subject in Canada, there are reproduced here some verbatim extracts from a recent article on the report by the London Economist.

"Not the least gratifying feature about the welcome which the proposals have been given is the general understanding that the commitments can only be borne if the goods can be delivered in physical terms, if employment and output and trade can be maintained, and the national income built up and expanded.

"In short, it is common ground between both the open supporters and the muttering critics of the Beveridge proposals that the prime objective must be, not the income minimum, which is subsidiary, but the physical minimum. Reconstruction has many rooms, but it is a single building; and there are four obvious conditions for achieving the physical minimum. They are the maintenance of employment; the maintenance of investment; the maintenance of consumption; and the maintenance of trade.

### Problem of Maintenance

"The four conditions are not separate and distinct. They are different aspects of the same process. Employment can only be maintained if investments and consumption are sufficiently large and sufficiently regular. The maintenance of both investment and consumption depends upon the maintenance of trade, that is, of essential imports and of exports to pay for them. The Beveridge report is a challenge to the government, not simply to say its piece about social security, but also to show its understanding that all the major problems which it or its successors will be called upon to solve are inter-related. Any plan for social security, for instance, will plainly fail if equality of educational opportunities and of medical treatment cannot be provided.

"There is wide agreement on the possibility of preserving a sufficiently large and sufficiently regular volume of investments, by means of a policy by which the government, while stimulating private investment to the utmost, will be prepared, if private investment feels likely to fall short, to make up the total to the level required for full employment by its own prompt projects.

"There is general agreement, too, that the maintenance of consumption, in goods, can be powerfully reinforced by the policy of a national minimum, involving, first, the further redistribution of incomes on the lines proposed in the Beveridge plan, and secondly, the redistribution of goods to secure a physical minimum, perhaps on lines which have been made familiar by wartime practice.

### A Different Approach

"The government might call for simple specifications from private industry, for the manufacture of a limited range of each of the main categories of durable consumption goods, including clothing, household utensils, furniture and so on — and perhaps even houses and conventional necessities such as wireless sets, refrigerators, gramophones and motor cars. Cost would have to be carefully examined in order to get more and more articles produced more and more cheaply; and maximum, but not minimum, prices might be fixed in order to maintain the incentive to cost reductions.

"Moreover, while the production and prices of these utility goods would be controlled, manufacturers would remain free to cater for higher prices and luxury markets; and nothing need be done to impede the introduction of new articles, or to stifle the technical improvement of articles not sufficiently developed to be produced cheaply for mass consumption. Such a scheme might cover a large part of the nation's expenditure on durable consumption goods. It would be a powerful reinforcement to the policy of a physical minimum. It would be a great aid in the maintenance of employment; and by the encouragement of larger scale production, it would assist the export trade. It would be done under state direction, but it would be carried out by private enterprise.

### New Means Necessary

"The planners' task is to find new means to achieve the old ends—that is, the greatest possible quantity of what consumers want and need at prices that they can pay. This is not only economic good sense; it is good democracy too.

"Planning, in this view, means precisely the opposite of what its opponents claim. It means expansion and not restriction. It means adaptability and not ossification. It means the physical minimum plus the utmost enterprise and development. If, under the false cloak of private enterprise, the job of working out future economic policy is handed over to business men organized in sectional associations, with unlimited power over both competitors and consumers, the job will not be done. It is the sole responsibility and high privilege of the representatives of the people, faced with the challenge of the Beveridge report and all its implications, to make clear at once that they see the right road ahead, and will do their duty."

# Cotton Operations Drop in January

Cotton textile mill operations in Canada declined in January. During the month, 35,083 bales of cotton were opened, compared with 38,547 the previous month, and 42,211 in January a year ago. The number of bales was the third smallest since the start of the war. Without allowing for holidays, and assuming operations on a 5½-day-week basis, January openings were at the rate of 1,493 bales a day, compared with 1,578 in December and 1,710 a day in November.

TIRES
meet
BULLETS
..keep
going

• Goodyear research anticipated the punishment these rugged tires would get . . . hailstorms of bullets, seas of mud, sharp rocks, broken metal, rupture hazards every foot of the way. Goodyear gave the Army not only the tires it needed but it created stamina and durability undreamed-of in peacetime — a new standard of safety, performance and protection that will carry over into the peace years on *your* car — on every car that rolls on tires bearing

*"The Greatest Name in Rubber"*

**Worker Education**

# Films For Our Factories

## *Film Board Industrial Circuit is Popular, Instructive*

—National Film Board photo.

*A "feature attraction" of the National Film Board's industrial circuit is "Great Guns," starring Canada's growing output of land, sea and air artillery. Here a still from the film shows a big anti-aircraft gun undergoing tests on a proving ground. It will then be taken down and crated for the fighting front.*

**Taking the film to the film fan proved popular when the National Film Board launched its rural cinema programme — the new Industrial Circuit is doing the same job for the war workers. Brief cinemas, mostly shown in lunch hours, help the worker to see his own job in relation to the giant programme of which it is a part.**

By March 1 Ottawa's plan to bring morale-building movies regularly each month to war workers throughout Canada will be fully launched.

The idea started last year. It grew from the spectacular success which had attended the rural movie circuits organized by the National Film Board and now bringing instruction and entertainment to scores of far-flung communities which otherwise see no movies from one year to another.

Canada's war plants were circularized by the C.M.A. and demonstration showings were arranged in Quebec, Montreal, Toronto, London, Hamilton and Windsor. Because of the very considerable interest aroused, the Film Board started at once to set up industrial movie "circuits" first in the province of Quebec, later in Ontario and other provinces. Eventually there will be 40 circuits in operation, each circuit returning at a regular date each month to the plants included on its list.

The operator of each circuit will cover three or four plants a day once the programme gets into full operation. The plan got under way in Quebec province on Jan. 1; started in Ontario on Feb. 1. By March 1 it will have been extended to all other provinces, although all of the 40 circuits are not yet in operation.

Arranged and organized by the National Film Board, the war plant film promotion is being paid for partly by the Department of Munitions and Supply and partly by Wartime Prices and Trade Board and the National Selective Service Branch of the Department of Labor. Capital cost of each circuit for equipment, etc., is about $500 and operating costs between $200 and $300 a month. Industrial plants are offered the films free of charge, the only stipulation being that both employers and employees get behind the idea and make effective use of the films in providing an audience and suitable accommodation for the showing. In both Ontario and Quebec, advisory committees representative of workers, employers and interested provincial departments (usually education and labor) have been formed to discuss and advise on types of film to be shown, methods of operation and handling, etc. It is hoped eventually to reach 600,000 to 750,000 workers (chiefly those in war industry) through the plan.

Some firms are operating their own movie circuits under the scheme. For example, Defence Industries, Ltd. has its own circuit which started Feb. 1 in five plants. It will use the regular monthly showings on its own projector run by its own operator. Both English and French film is shown. Aluminum Co. also started its own French circuit on January 4 for an audience of 8,000 workers. It now has an English circuit as well.

The entire aircraft industry has now tied into the scheme. It is using the 19 projectors which had been installed in airplane manufacturing plants from coast to coast in connection with plant training projects. Their entire facilities are now linking up in three or more circuits with the new National Film Board programme. The Pulp and Paper Association is also planning to tie in with the scheme using its own and other plant projectors.

Purpose of the films is to bring to Canadian war workers a continuous and dramatic account of the war effort and a better understanding of the part which industry and labor in particular are making toward that effort. There are as well special films such as a new one on absenteeism, intended to show industry and labor how to solve special problems arising out of war conditions.

Most of the films are shown right in the plants themselves although occasionally it is necessary on account of lack of space to hire a hall adjoining the plant. Length of film shown in each plant, can be adapted to meet individual requirements. Programmes range from 20 minutes to 1½ hours running time. Core of the programme (if only a short time is available) is usually one of a series of industrial films prepared originally for the Department of Munitions and Supply under such titles as: Smoke and Steel; Fighting Ships; Great Guns; Women are Warriors; Keep 'em Flying; Thank You, Joe. As well, the National Film Board is using some "best sellers" from its two theatrical series: "Canada Carries On" and "World in Action." There are also instructional shorts on nutrition, rationing, price control, salvage, as well as short subjects and specialized films produced in Canada, England and the United States. Most popular time for showing the films is usually at the noon hour or the hour before closing time.

Representatives of management or labor may link up with a circuit by applying to regional representatives of the Industrial Circuits Branch of the National Film Board. These representatives are located as follows:

**MARITIMES:** R. K. Nevers, Provincial Normal School, New Brunswick.

**QUEBEC:** Joseph Moriu, Service de Cine-Photographic, Hotel du Government, Quebec City.

**ONTARIO:** H. R. Keele, 70 Bond St., Toronto.

**WESTERN CANADA:** Stanley Rands, University of Manitoba, Winnipeg.

*This front-end view of a Canadian-built reconnaissance car illustrates two of the big problems that have faced Canada's mechanical transport industry. First is the rugged front-wheel drive axle, the extra axle being necessary for almost all heavy-duty military vehicles. Second are the heavy-duty tires which have been a major achievement of Canada's rubber industry. For front-line duty these tires have to be capable of travelling long distances at high speeds even after they have been punctured.*

# Mountains and Jungles Can't Stop the "Jeep"

### Most Versatile of Fighting Vehicles Has Proved Its Ability to Manoeuvre Over Any Kind of Terrain; Used on All Fronts

The army "Jeep" has proved itself to be about the most versatile vehicle thus far designed for the fighting forces.

A fast, rugged, scout car powered by an engine designed by Willys-Overland engineers, it has a wide range for scouting and raiding purposes, and with its light weight, four-wheel drive and low silhouette can manoeuvre close to battle lines over almost any kind of terrain.

Carrying machine guns, ammunition, special troops or supplies, it crashes through trackless wooded country, knocking down saplings, fording streams, creeping through standing crops, plowing through mud or sand.

Officers use the Jeep as a command car. Airmen use it to manoeuvre planes at aerodromes. Doctors use it to bring in wounded. The jeep could be flown with paratroopers to land behind enemy lines. It carries dispatches cross country to maintain communications with other units, or roars down roads on any military mission at 60 miles an hour.

**Lots of Strength**

Yet it is not averse to deserting these glamorous roles to pull a truck ten times its size out of a ditch or to tow a plow and dig a trench for field telephone wire as it did recently in Australia.

The Jeep's ability to negotiate the sandy desert trails of Egypt and Libya was an important element in the success with which British troops closely followed up Rommel's beaten army in North Africa.

Just prior to that there was an amusing story from Cairo of an officer there, who, forbidden to leave his Jeep on the street at night, drove it up a wide flight of steps in the house where he lodged and kept it in his bedroom overnight.

Jeeps have been conspicuous in the landings effected by the U. S. Marines on the beaches of Guadalcanal, and have operated with outstanding success on the jungle trails of the Solomons as well as in the mountainous and swampy battlefields of New Guinea.

Jeeps were also conspicuous in the landing operations of American troops in Algeria and in their rapid advance on Tunisia.

Russian soldiers have found the Jeep superbly suited to both summer and winter conditions on their long front. It is the one vehicle, they say, that "passes everywhere." Those operating on the mountainous Caucasian front call the Jeeps "goats," because of their ability to climb steep and tortuous grades, and on the boggy roads of the Stalingrad front and the snowy terrain of the North, the soldiers have but a word for this scout car. It is "Zemachatelno" — terrific.

Wendell Willkie made his trip to the Rzhev front in a Jeep. A correspondent who visited that front with some associates in two ordinary motor cars a month earlier wrote, "When you spend a few days here riding over the worst roads in the whole war you almost begin to feel sorry for Napoleon. One day we were bucking, snorting and crawling along a particularly abominable, mud-infested stretch of creation when an American Jeep came bouncing merrily toward us. It was going four times as fast as we could manage, and the four Red Army men in it looked contented with life. Their Jeep merely plunged down into a two-foot ditch, ran up a four-foot clay embankment, hurdled several pine logs and dashed nonchalantly on its way."

**Used Many Places**

The Jeep is on service in similar terrain with the Chinese army. It is used by troops in training throughout the United States and Canada, in New Zealand, Australia, England, India, Iceland and North Ireland. It was the first vehicle to complete the trip over the new U. S. Alaskan highway.

It was the vehicle chosen by President Roosevelt as his personal vehicle in reviewing troops on his recent visit to North Africa and Liberia, and in which he rode while meeting President Vargas of Brazil.

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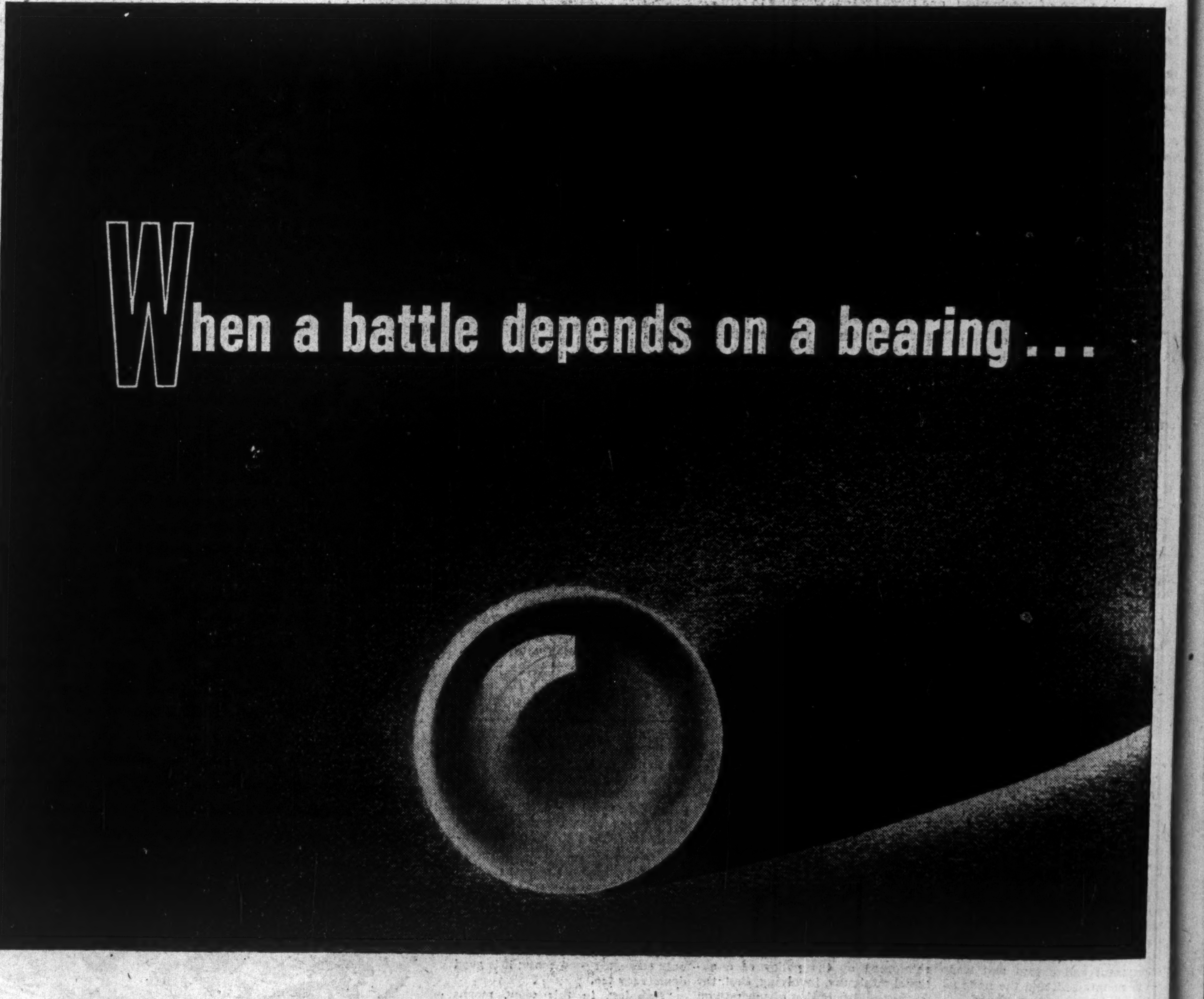

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**Tires for Fighters**

# Rubber Plant Output Still High

## *Conservation and Substitution Have Stretched Supplies*

Although its major sources of new crude rubber were cut off more than a year ago, Canada's rubber industry is still operating at a relatively high rate. Estimates from the trade suggest current operations are about at 1939 level as far as employment is concerned, and perhaps 25% below the peak in 1941 and early 1942.

Since 1941 there have been tremendous changes in the character of business done. Probably about 90% of the work for most of last year has been direct war orders. Not more than 10% is left for civilian use and even this 10% is shrinking.

The industry is using more rubber in proportion to its output than formerly, which reflects the big volume of heavy tires and tubes for use on army trucks and aircraft.

A single army truck tire has several times as much rubber in it as a tire for a passenger car. The famous "run-flat" tires so widely used in the war zones on trucks of all kinds require tremendous quantities of rubber.

### No Slackening in Sight

Men in the trade expect brisk activity will continue through most of 1943. They seem to be more concerned with possible delays and difficulties when the first substantial flow from the new synthetic rubber plants comes in than about present problems.

The changed pattern of activity in the rubber industry has had an influence on plant operations. Much new equipment has been installed to handle government orders. Most of this was in by the early part of 1942. This has been provided largely by the government, which paid for it and still owns it.

*Successor to the horse is the versatile artillery-gun tractor. Its four-wheel drive enables it to negotiate the roughest kind of terrain and it is equipped with a self-contained cable and winch to extricate itself or other vehicles in case of becoming mired. The tractor is used to tow the famous 25-pounder gun.*

Civilian rubber goods still being manufactured are simplified. Rubber footwear has been considered essential for Canadians, due to climatic conditions, but the companies are only permitted to make a few basic patterns and only in one color. Variety in styles and colors is out for the duration. This simplification did not involve much change in the equipment used in the plants.

But when it comes to making tires for a Lancaster bomber, for example, an entirely different situation is met. Tire building machines and molds must be completely changed.

### Used to Reclaim Rubber

A feature in the last year has been the use of a much greater proportion of reclaimed rubber. Little difficulty has been experienced handling this as it has been used on limited scale for many years.

This reclaimed rubber goes into rubber footwear, mechanical rubber goods of various types and rubber parts which the automobile industry is substituting for sponge and other types of rubber. When an automobile company uses a felt part, to replace sponge rubber cushions, it is dipped in reclaimed rubber.

Canadian manufacturers are ready to make passenger car tires almost entirely with reclaimed rubber. They do not claim that these will give anything like the service of tires of new rubber, but maintain that they will give fairly good service if car speeds are kept down to 35 miles an hour and if care is taken in controlling inflation pressures.

Tire companies are not so well satisfied about their ability to turn out satisfactory tires and tubes from synthetic rubber. They feel that more testing will have to be done, are somewhat worried over what will happen unless they have more opportunity for experimentation.

### Wartime Manufacturing

Goodyear Tire & Rubber Co. of Canada, in its recent annual report, gives an outline of what a cutting off of rubber supply means to such a concern.

It mentions, first of all, that output of tires for trucks and buses, production of mechanical rubber goods, and direct war orders, meant that only a small decrease in sales was experienced in 1942 from 1941's peak volume. It points out that reduced selling expenses meant the company was able to offset reduced earnings which might have been expected to result from lower sales volume.

It tells how Fairmont Co., a government agency, now sole buyer and seller of rubber in Canada, has held rubber prices and eliminated fluctuations.

The report states that the company has—

"Made tires and rubber parts for planes, guns, trucks, tanks and mechanical war equipment of all kinds . . . belting and industrial rubber goods for war industries . . . fire hose for Britain and a countless array of other rubber products for war use."

### Technical Achievements

Goodyear points out that its technicians have "literally worked minor miracles, by employing their experience to reduce the rubber normally used, without impairing performance. These same technical men have developed entirely new formulas for using reclaimed rubber to eke out the existing supply of crude."

Its dealers and entire trained personnel have been mobilized to assure that Canada's limited supplies of rubber and rubber goods are made to last as long as possible. They are endeavoring to help the motorists in Canada, who cannot buy tires, keep their automobiles going as long as possible.

Rubber stocks in Canada were higher than usual at the end of 1941. These stocks were promptly pooled, and drastic curtailment in sale of all non-essential rubber products was enforced.

### Conservation Year

Everywhere in Canada, 1942 was a year which saw emphasis placed on ways to reduce use of rubber, to devise substitutes, and to make what we had last longer.

Probably few motorists realized how important would be the results from reduced speeds, greater care in maintaining tire pressures, and watching for damage, as well as from the reduced mileage due to gasoline rationing. These factors have meant that relatively few automobiles have been laid up for lack of tires.

### Save on Army Orders

Tremendous savings have been made in rubber use by military as well as by civilian consumers. One automobile company saved over half a million pounds last year.

Replacing rubber floor mats in army trucks by a compound cut rubber consumption by 111,563 lb. About 48,000 lb. was saved when the rear mud flaps of military truck cabs were made of canvas instead of rubber.

Another 16,000 lb. was saved when canvas, or canvas and steel, was substituted for the rubber bellows that used to be placed around gearshift levers, transfer-shift levers and steel tank filler caps of military truck cabs.

Making accelerator pedals of steel stamping only, instead of steel covered with rubber, saved over 12,000 lb. of rubber. Substituting a piece of wood for the rubber and steel firing rests with which universal carriers used to be equipped saved 70,000 lb. of steel and 190,000 lb. of rubber.

Examples such as this could be multiplied many times. Some are small savings, others are large, but they all help to make our limited supplies go much farther.

Then there have been the continual salvage campaigns, aimed at gathering in all waste rubber which was lying around the country.

Canada's capacity for reclaiming rubber is limited, but salvage authorities point out that it is vital to have all possible scrap rubber gathered together and placed in centres where it can be made accessible. This assures that the reclaiming plants will be able to run steadily at capacity and will not be affected by fluctuations in the supply coming to them.

**Now back around 1939's level, rubber manufacturers are devoting 90% of their output to war. Conservation and substitution is spinning out rubber stocks, but manufacturers would like the opportunity to test synthetic rubber processing requirements.**

# *Tenth League of Nations Survey Reviews Wartime Developments*

The tenth World Economic Survey of the League of Nations, second since the beginning of the war, covers the developments from the summer of 1941 to the early autumn of 1942, including the German invasion of Russia, the Japanese conquests in south-eastern Asia, and the transition to war economy in the United States.

The German invasion of Russia has had far-reaching effects on economic conditions in Germany and German-controlled Europe. The survey describes in particular the drain on Germany's man-power, the pressure on her transport system, the recruitment of foreign workers, the exploitation of the occupied countries, and the drastic reorganization of the war economy in Germany itself.

A review of Russia's economic problems brings out some of the main factors that have contributed to the strength of Soviet resistance, and describes the large-scale removal of industrial equipment and labor from the threatened areas, the scorched earth policy, and the measures adopted to increase industrial and agricultural output and to compensate for the loss of the invaded areas.

The volume also deals with important changes that have recently taken place in China.

A brief account is given of Japan's strenuous efforts to increase war production at the cost of a further cut in standards of living. Japan's recent conquests, it is pointed out, have done little to alleviate her shortages of iron, steel and textiles, although they have had important economic consequences elsewhere.

The rapid growth of war production in the United States is one of the most striking developments described. From the summer of 1941 to the summer of 1942 the armament output of the United States increased five-fold, while that of the United Kingdom doubled. On a per capita basis Britain's war output was the highest of any nation.

The various ways in which Canada, Australia, New Zealand, India and South Africa are contributing to the common war effort are reviewed.

Shipping is one of the vital problems in the United Nations' war economy, as rail transport is in the war economy of Germany. The Latin American republics have been seriously affected by the shipping shortage.

The state of virtual famine existing in some of the German-occupied areas is contrasted with the situation in the Reich. The decline in agricultural output in Continental Europe stands out in contrast with the increase in British farm production and with the record corps reaped in the United States and Canada.

# Army Requires Much Gasoline

More than 100 million gallons of gasoline were ordered for the armed forces during 1942 by the Munitions and Supply Department.

The Department ordered in the same period a total of 3,500,000 gallons of lubricating oils, and thousands of gallons of paints, varnishes and greases.

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**The Progressive Conservative Platform**

# Farm Plank Tries to Please All

## *Some Features Already in Force, Others Seen Contradictory*

By GORDON L. SMITH

Latest census figures show Canada still nearly 50% rural which means that almost half our population depends largely on farming for its livelihood. This explains the average politician's concern for things agricultural and the prominence of agriculture in any party platform.

Speaking very generally, the Canadian farmers lean toward low tariffs mainly because they are convinced that much of their general prosperity depends on a large export trade. This, however, is a general statement only. In some lines of farm production, especially highly perishable products such as fresh fruits, vegetables and butter, and some specialties, producers depend largely on the home market and are inclined to favor tariff protection. In major lines like wheat, beef cattle, cheese, bacon hogs however, up to 75% of the Canadian production is exported. In areas which largely concentrate on these products, farm opinion is likely to favor low tariff or at least to the freest possible trade with Great Britain, which normally is the greatest single export buyer of these commodities.

This is the general background one must keep in mind when appraising the agricultural planks in the new platform of the new Progressive Conservative party.

The paragraphs in bold type are quoted directly from the official new platform.

**1. To consult and enlist the assistance of agricultural interests in formulating and putting into effect policies for the promotion of the welfare of agriculture.**

It is not clear whether the framers of this plank had already organized agricultural interests in mind, or would have new bodies formed.

Recently there has been much complaint over the lack of farm representation on potent Ottawa boards dealing directly or indirectly with farm products. Organized agricultural bodies such as the Canadian Federation of Agriculture have been active in this criticism, but they have also been consulted by the government and by the heads of various boards.

Chief demands of the agricultural groups have been for higher farm prices and more relief from military calls. Chief arguments advanced by the government spokesman against complete acquiesence, have been fear of inflation, hardship to consumers, and necessity for more men in the fighting forces.

**2. To maintain farm prices which will secure a monetary return to farmers that bears a fair relationship to the cost of production, and which will establish parity between farm prices and the cost of goods and services farmers must buy. As a first step toward parity prices for wheat, we approve of an initial minimum export price of $1.10 per bushel, to be adjusted annually at the beginning of each crop year and an initial minimum domestic price of $1,25 per bushel plus payment for farm storage within the deliverable quota and an advance against present farm-stored wheat within such quota.**

This plank was inserted at the insistence of the western wheat group and, it is believed, over considerable opposition from other interests. The parity cry was first raised in the United States and has been receiving a good deal of attention in western Canada since the war. The claim is made that prices of things that farmers have to buy, i.e. farm machinery and other equipment, labor, household goods, clothing etc., have risen higher and faster since the period before the first Great War, than the prices of those things the farmer has to sell. This would especially apply to wheat which has not participated in war demand to anything like the extent as livestock products.

Efforts have been made to work out some sort of an adjustment in the United States but have been hampered by the fact that while such staple commodities as wheat and beef cattle, for instance, have remained constant over the years, urban manufactured products that farmers must buy, items like automobiles, combines and tractors, have changed radically. It is difficult, if not impossible, to compare either in value or efficiency a modern combine or automobile with what machines were used in their place say 25 years ago.

Last year the Dominion Government raised the initial price of wheat to 90 cents a bushel over protests of non-wheat raising taxpayers. The latter maintained that we were already growing more wheat than we could handle or sell.

Efforts have been made to establish a domestic wheat price level above that prevailing for export, but the matter is generally regarded as extremely complicated in a huge surplus wheat producing country like Canada.

**3. To create a price stabilization corporation charged with the duty of controlling price fluctuations.**

This plank is obviously designed to placate those numerous critics who have long charged there has been too much fluctuation of the price of farm products. The matter is highly complicated by such factors as weather, export markets and shipping facilities. All these play a prominent and, in the case of the weather, practically an uncontrollable part. These factors are in addition to the speculator whom the framers of the plank presumably had in mind. Incidentally, however, this much maligned speculator has also strong defenders.

**4. To validate by constitutional amendment the Natural Products Marketing Act so that orderly marketing may be carried on under its provisions.**

This act came into being under the so called Bennett "New Deal Legislation" of a decade ago. Some of the provinces failed to implement it and some of it was declared ultra vires. In a few cases the legislation has been modified and used, particularly in British Columbia.

Growers of highly perishable and highly seasonal crops like fruit and vegetables or of such specialties as tobacco, where rigid acreage control would be an advantage, are particularly interested.

Like planks 2 and 3, practical application of the policy suggested constitutes the chief difficulty and the history of attempts to make it workable has not been too convincing.

**5. To promote the efficiency of Canadian agriculture by a comprehensive programme of conservation and by a national plan for the encouragement of production of crops and animal products in those areas which are most suitable and the discouragement of the same type of production in unsuitable areas.**

**6. To maintain and expand markets abroad and find markets at home for surplus crops, and to support scientific research, as advocated by the National Chemurgic Committee, to discover new uses for farm products and by-products.**

**7. To establish through the Health of Animals Branch facilities of a thorough study of contagious diseases among farm animals and to provide adequate facilities for vaccination of animals against Bang's and other contagious diseases.**

**8. To set up a swine study super-station with sufficient facilities and personnel for an exhaustive study of measures for the improvement of the Canadian bacon hog and of means to retain after the war our present quota of bacon exports.**

Much of the work suggested in these straight farm production planks has already been carried on and has been more or less a general policy of Dominion and provincial departments of agriculture over the years and regardless of what parties were in power. Research groups have also been interested and working on the problems. There has not been, however, any fully coordinated plan, with the result that there has been some overlapping and very considerable gaps. The fact that general agricultural promotion in Canada is divided between Dominion and provincial authorities may have been a handicap.

Agricultural economists may find some conflict between the latter half of plank 5 and the aims of planks 2 and 4. In the past chief discouragement to the wrong type of production has come from uneconomic prices.

**9. To give primary producers adequate representation on all boards set up to market farm products.**

In the past the practise has largely been to appoint government officials or officials of agricultural or farm political associations. There has been considerable objection on the ground that these men were not actually practical producers.

On the other hand it has also been asserted that the average practical farmer is a producer and might lack the special marketing knowledge of the trained and experienced agricultural official.

**10. To encourage farmers' organizations for co-operative effort in marketing farm products and in the purchase of supplies and obtaining of credit.**

**11. To set up a credit-controlling agency in the form of a Central Farm Bank so as to provide for farm credit at low interest rates.**

In the early days of the depression more was heard of these policies. It is possible that they have been carried along on the party books ever since. Little explanation would seem to be required except to point out that already there has been much development along this line with certainly no discouragement shown toward producer co-operators. It is hardly necessary to point out also that interest rates today are far below those of 10 and 20 years ago.

Just where the Central Farm Bank plan would fit into the picture with a government controlled Bank of Canada and the regular chartered banks is not made clear.

**12. That a special study be made of Health Services so as to provide the farmers of Canada with better medical facilities and hospitalization.**

No special explanation would seem to be called for in regard to this plank except possibly to point out that the matter of national health services is to be discussed in Parliament this session. Moreover, aside from remote areas where there are special transportation difficulties, it is difficult to see any distinction between the medical problem confronting the farmer and that of any other rural class of citizen.

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# *Canadians Win Three Prizes For Industrial Conservation*

Three out of six prizes in the second of a series of industrial salvage and conservation contests have been awarded to Canadians by Metallizing Engineering Co. of New York.

First prize, a $250 war bond, went to John Frisch, mechanical superintendent, Price Bros. & Co., Riverbend, Que., for his entry on the metallizing of worn anti-friction bearing journals used on heavy paper machine vacuum seal rolls.

These journals weigh a ton each. Mr. Frisch salvaged them with 28 pounds of metal apiece. Cost per unit was less than $40, as against $1,115 for a new journal.

In addition to the $250 prize Mr. Frisch received a special award of a $100 bond from B. W. Deane & Co., Canadian distributor for Metco metallizing guns.

A $50 war bond was won by Thomas Crone Kirkland, Canadian Vickers Ltd., Montreal, for a description of the salvaging of a 28,800-pound shaft for a ship, which had been mis-machined, while another $50 bond was awarded jointly to L. MacMillan and E. D. Berry, of E. B. Eddy Co., Hull, for an entry on the maintenance of a 19-ft. shaft used in making cores for newsprint rolls. In each case Dean & Co. put up an additional $100 bond.

Honorable mention went to Alexander Mitchell for an entry about the metallizing of motor spindles used on rayon spinning machines at Courtaulds (Canada) Ltd. About 5,000 of these spindles are reclaimed yearly. This saves 10,000 pounds of steel and $43,000 in replacement costs.

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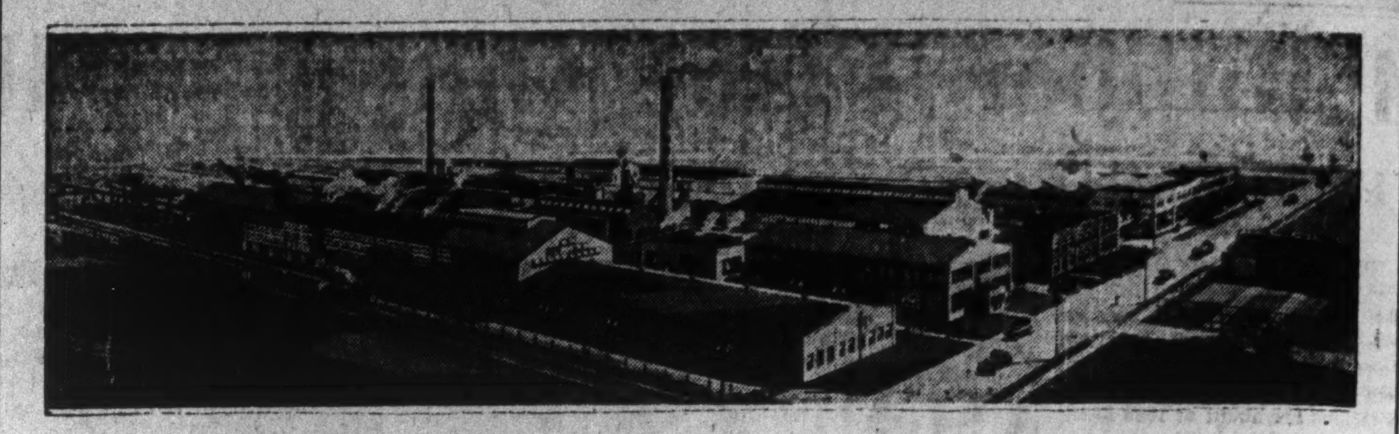

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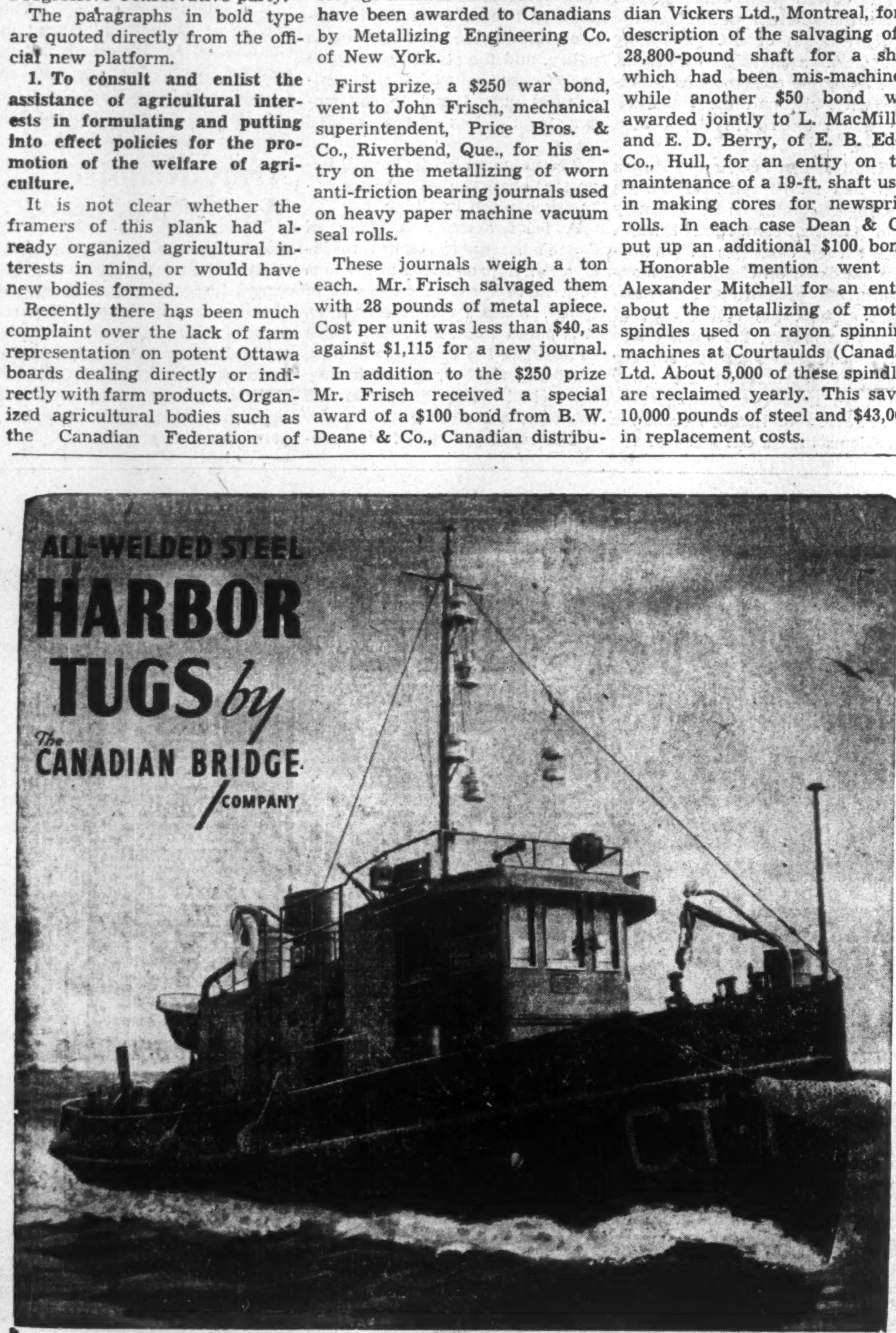

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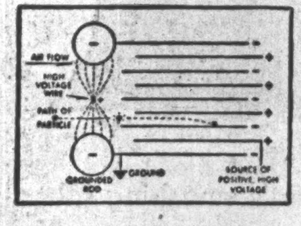

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**"Music while you work" programmes, credited with boosting employee morale and increasing efficiency, have been adopted by thousands of plants in the United Kingdom and the United States. The idea is spreading rapidly in Canada. Programming of this music has become a specialized business, with central studios feeding programmes through to the workers.**

If, when you arrive at work tomorrow, you hear a band playing martial airs, it may be a new recruiting technique, but it is more likely to be "planned music" provided by a management which has given much thought to employee morale and good working conditions.

Ever since the first band was used by the first army, military authorities have probably agreed on one point of strategy: martial music makes men march better and farther, keeps them in good spirits, sustains and improves morale. But the rather simple idea of an extension of this principle—music for industry—has only really taken hold firmly the last few years.

War, with its emphasis on efficient production and employee morale, has speeded the "music while you work" era. Music has been solving for industry some of its most acute problems. Absenteeism, fatigue, the "early quitter"—all have decreased under the influence of planned music.

### Started in England

Music in industry seems to have originated in England back in 1932 or 1933. The B.B.C. broadcast special programmes for workers at an early date and made special surveys of their value. The idea spread to the United States, where it has become the subject for research. Now 5,000 plants in England, 500 in the United States and a growing number in Canada, provide some kind of music for their employees as a stimulus to effort. In the United States music for workers has been recognized as a war industry and WPB has established a special division to investigate and promote it.

In Canada the value of music has been recognized for years. Numerous "play back" phonograph and radio systems have been used. But planned music with scientific diffusion was only introduced last year, in Montreal, where Associated Broadcasting Co. set up a special studio to provide planned music for workers. (It uses the U. S.-developed Muzak library of 5,000 selections, arranged to meet varying needs in different times of the day.)

### In 10 Plants Here

So far Associated Broadcasting has installed its service in 10 large Montreal plants, including Defense Industries, Fairchild Aircraft, Robert Mitchell Co., and Canadian Converters. Installations are now being made in six or seven plants for request demonstrations, and other demonstrations are pending in 19 plants.

An office has been opened in Toronto and a "studio" will commence operation there on March 15 to supply a number of local plants.

### B.B.C. Report

Data on what music accomplishes for industrial workers have yet to be scientifically analyzed in Canada, where it is still relatively new.

A report by Wynford Reynolds, made for the British Broadcasting Corp. for the period May 5 to Nov. 30, 1941, however, includes this:

"The claims made by the advocates for music in industry have been substantiated. The research has proved that music can boost the tired worker, act as a tonic, relieve boredom, increase happiness, improve health, minimize conversation, relieve nervous strain and reduce absenteeism. To an ever-increasing extent, music is being looked upon as an essential to industry, and visits to factories have given the most convincing evidence and proof of the great importance of "Music While You Work."

Mr. Reynolds also declared: "One factory gave an example of a drop in production of 12% when music was stopped and an increase of 5% over normal production when the music was recommenced. Another factory showed a 12½ to 15% increase in its output under the stimulus of music."

A Canadian war plant recently had some extra work to push through and the executives had to break the news that a further night shift would be necessary after a long and tiring day. Associated Broadcasting had just installed its sound system and the plant management asked if music could be started on this special night shift. It could, and the result was the highest level of overtime production in the history of the factory.

Detailed research has been carried out in the United States by the Stevens Institute of Technology, working with the Muzak research division and Radio Corp. of America.

The results, Professor Harold Burris-Meyer of the Stevens Institute says, "are not sufficient to form the basis of unassailable conclusions, but we believe they show the way the wind blows."

### Banishes Absenteeism

A marked effect on Monday morning absenteeism was noted. Under controlled conditions of temperature, work, etc., this was brought down from an average of 22.75% before music to an average of only 2.85% after music. Lost hours due to early departures were similarly reduced from 2.52% to 0.845%. Output per 100 man-hours showed an increase from 301.2 units a week before music to 335.6 units after a week of music. The tests showed that the seventh week of music gave twice the benefit of the first week.

Scientific planning and arranging has been worked out. Muzak is provided for 12 minutes with 18 minutes off. Tests show a definite upswing in production each time the music comes on. Mornings are started off with band music which serves as a "pepper-upper." Vocals are carefully avoided except in relaxation periods as likely to distract attention and create a desire to memorize the words. Music for each hour of the day is planned ahead, with special programmes for rainy days, etc.

### Feed Many Programmes

The central studio may be "feeding" as many as five programmes to various plants simultaneously. Such is the variety of material available, however, that it is not necessary for any piece to be repeated for weeks. New selections are added at the rate of 100 monthly.

Composition of the working force is analyzed before programming is done. If there is a large proportion of Polish workers, for instance, polkas may be played during relaxation periods. Experience shows that employee requests don't necessarily make for good programming and that scientific study of needs does a much better job. "Deep in The Heart of Texas" is out because it will usually result in an orgy of handclapping which, while excellent for morale, is not desirable from the standpoint of production. Hymns are said to be in considerable demand on Sunday in some factories, though it has been observed elsewhere that hymns can stop work about as fast as a fire gong.

### Vertical Recording Helps

Part of the success of the Muzak system is use of the vertical recording. This covers frequencies from 50 to 8,000, whereas ordinary noises range from 150 to 400. Greater frequency range means much more faithful reproduction and penetration on the frequencies above and below the noise—and in between the noises—even when the volume of the music is much less than that of the noise itself. The music tends to make noise less noticeable and less distressing to nerves.

### Workers Like It

Acceptance by workers has been one of the important factors in the rapid expansion of music in industry. Officials of both the A. F. of L. and C. I. O. have endorsed music.

Factory sound installations are now mandatory in England for air raid warnings, and a majority of plants use these systems for music.

The night union committee of one Canadian plant sent this unsolicited note to the management on their reactions to music:

"We take a real pleasure in sending you a note of appreciation on the music while working practice, since this experiment has proved to be a real success; it is also considered by the men in the shop as a definite mark of goodwill from the company toward its employees and on that angle, it is doing much in improving the morale of the men.

"It is a success because it has reached the goal it was aimed at. It appears that the men of the night shift do not feel so much the strain of those long hours, now that they have something to relieve them from the tiresome noise inherent to a large factory. We would not try to discuss here the effect it might have on production so far, but we would like to emphasize that there is now more manpower available since the men feel better, more enthusiastic toward their work and consequently more willing to produce.

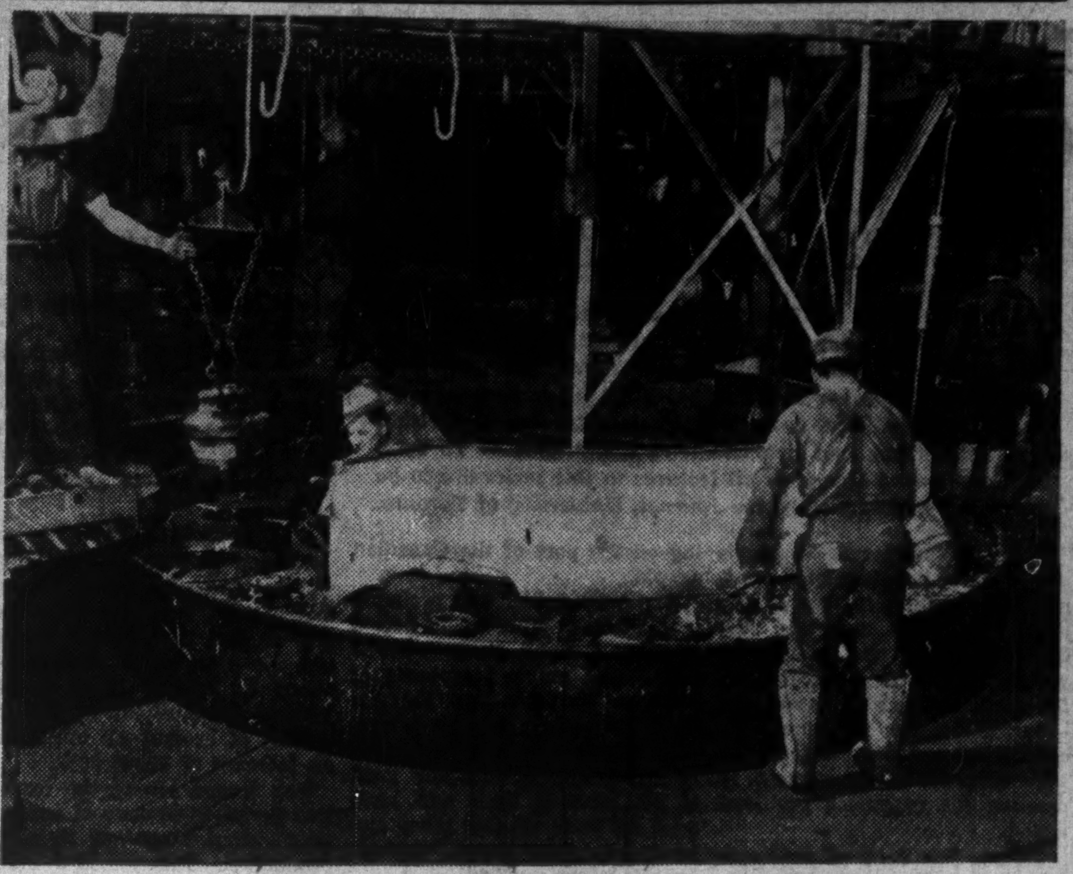
"We have been telling the people in the shop that the management is interested in them and looking for any improvements possible in their working conditions and their welfare. They just had proof of this by getting the music and appreciate it; their morale is favorably impressed and this will undoubtedly benefit the cause of production at the end.

"It is therefore with great satisfaction that we view the situation created by your initiative; it is a happy experiment."

### Still Lessons to be Learned

It has been learned that music during the last 20 minutes of work is generally not desirable since it might be taken as a signal to get ready to go home. Something new in the way of a musical idiom may emerge as the musician sets himself to the task of composing for industry. Already many fundamental conclusions have been reached on arranging, but much more can be done on working out the problems of particular groups.

Music in industry may have been late in "arriving" on an extensive scale, but it appears to be here to stay.



*A major factor in cutting the costs of war production has been the adoption of the centrifugal casting technique. As the metal is poured into the mold the mold is rapidly rotated. This achieves two objects, it allows the turning out of a wider variety of shapes than could formerly be cast by the straight gravity method, and it results in a denser, harder product capable of withstanding wartime stresses.*

# Investment Notes

**Brantford Cordage Co.**, the largest manufacturer of binder twine in the British Empire, is affected by shortage of hard fibres in Canada. Last year 20 million pounds of hard fibre ropes were used by the armed forces and civilians along with 80 million pounds of binder twine. G. P. Kaye, deputy supplies controller, states that in 1943 there can be provided only 15 millions pounds of rope and 60 million pounds of binder twine. This will mean, says Mr. Kaye, that civilian consumption of rope must be cut in half. Enough binder twine will be available for normal, but not for bumper crops.

• • •

**Canada Bud Breweries'** shareholders will not be affected by recent liquor restrictions, Duncan MacLaren, president, told the annual meeting recently. He admitted volume of production will be reduced but expects reduced expenditures to offset this. He emphasized the continued need for a strong liquid position in wartime.

• • •

**Canada Wire & Cable Co.** is paying a 25 cent dividend on its class B common in March instead of the 50 cents paid quarterly since the end of 1940. Payments of $1.62½ on the preferred and $1 on the class A are being continued. It is understood that this action reflects reduced profits due to higher taxation. In 1941 Canada Wire had just over $1 million available for dividends but its report for the first half of 1942 showed a drop of about 25% in net in spite of a small gain in operating profit. It is thought, however, that the company will be able to cover the current dividend without trouble, even allowing for a heavier taxation to follow determination of standard profit for the company.

• • •

**Cockshutt Moulded Aircraft Ltd.** has been formed by Cockshutt Plow Co. as a wholly owned subsidiary to manufacture plastic, bonded, molded plywood fuselages for aircraft. Operations are already under way at Brantford with about 200 workers employed. With the arrival of machinery and other equipment this number will be increased to around 1,000 to 1,200. The subsidiary company is capitalized at $1 million, of which $500,000 is outstanding. No public offering of securities is contemplated. Directors and officials of Cockshutt Moulded Aircraft are Col. the Hon. Harry Cockshutt, chairman; C. Gordon Cockshutt, president; W. J. Phillips, vice-president and treasurer; Stuart Lee, general manager; J. A. D. Slemin, secretary.

• • •

**Corporate Investors** made a number of changes in its portfolio between April 30, 1942, end of the company's year, and Dec. 31, 1942. A summary of purchases and sales follows:

| Additions | Deletions |
|---|---|
| Massey-Harris, pref. | Dominion Coal, pref. |
| Can. Bread, 1st pf. | Andian National |
| Maple L. Mill. bds. | Building Products |
| Montreal Power | Can. Steamship, c. |
| Shawinigan | Dominion Bridge |
|  | Dominion Textile |
|  | Holt, Renfrew |
|  | Page-Hersey |
|  | D. A. Stuart, pref. |
|  | Buffalo Ankerite |
|  | Central Patricia |

• • •

**Ford Motor Co. of Canada** is making certain of its factory branches in Canada available for use of the armed forces, according to W. R. Campbell, president. The company's recently constructed sales and service headquarters at Saint John is to be used by the army. Its Montreal branch premises is being taken over by contractors producing transport equipment for war. The Burnaby branch has also been leased to the government, for use by the R.C.A.F. as a supply depot. A major portion of the Toronto plant is being used by the R.C.A.F. and the R.C.A.S.C. but distribution of repair parts for civilian use will be centralized in Toronto for eastern Canada. Western Canada will get its Ford repair part service from Winnipeg. The field service organization is being maintained by the company.

• • •

**S. E. C. reports** of security transactions and holdings includes the following of Canadian interests:

**Canada Dry**— S. B. Colgate, director, held 4,300 shares directly in March, 1942; through Holding Co. A acquired 800 shares, holding 12,100; also held through Holding Co. B 600 shares and 300 shares through Company C and 1,000 shares through the Austen Colgate Trust.

**Howe Sound Co.**—E. B. Schley, officer and director, disposed of 100 shares, retaining 21,823.

**International Hydro-Electric** — P. H. Todd, director, acquired 2,000 class A shares, holding 47,500 and acquired 600 $3.50 series convertible preferred, holding 1,700.

**International Mining** — T. J. Tucker, officer, holds no shares; H. W. Chadbourne, officer and director, holds 40,860; F. M. Connell, director, holds 4,728 shares and through Connell Mining & Exploration, in which his proportionate interest is not stated, holds 10,500; D. B. Douglas, director, holds 14,904 shares.

**Hiram Walker-G. & W.** — L. M. McCarthy, director, acquired 100 common shares, holding 400.

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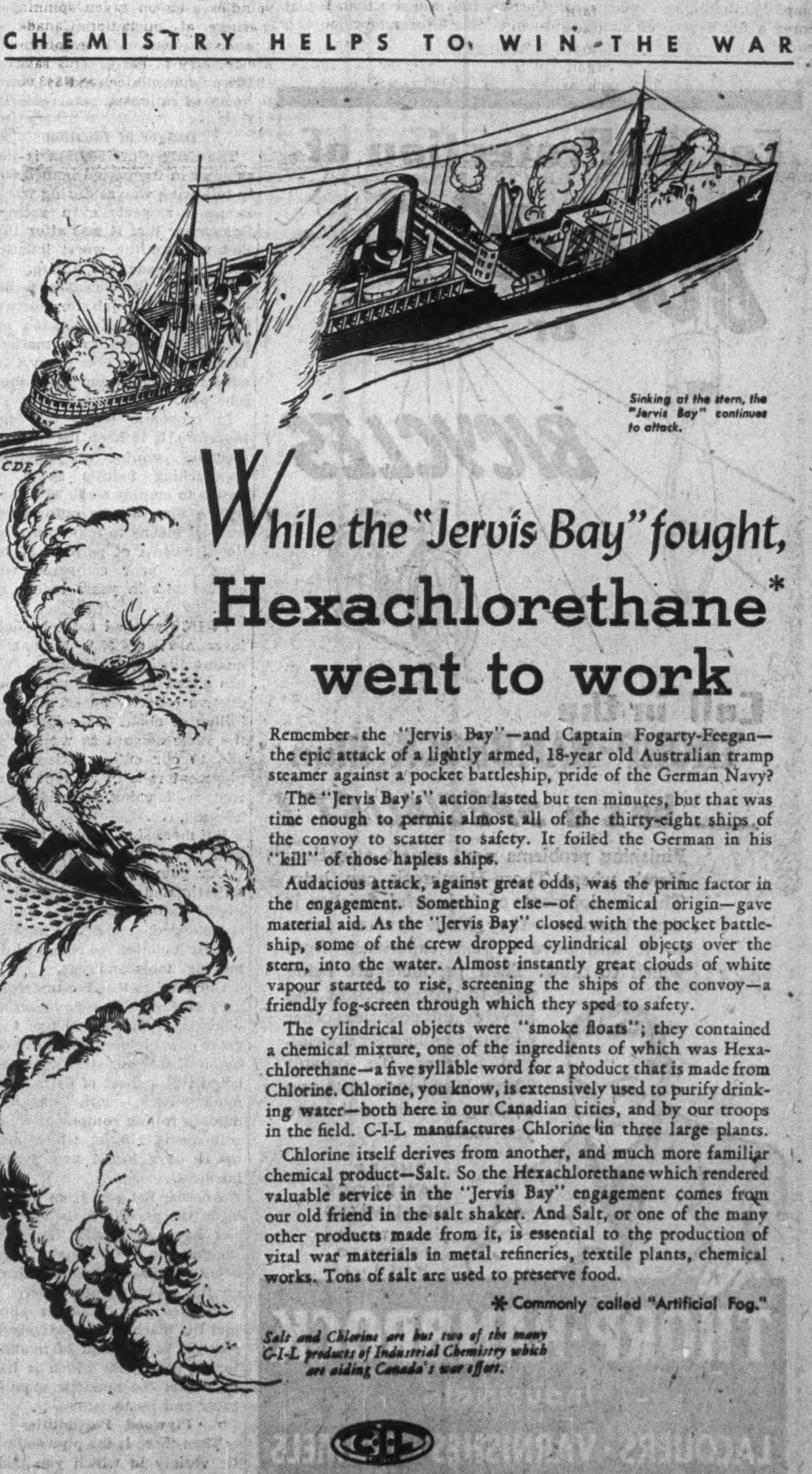
WORKS: HAMILTON, MONTREAL, TORONTO, BRANTFORD, LONDON, GANANOQUE

CHEMISTRY HELPS TO WIN THE WAR


Sinking at the stern, the "Jervis Bay" continues to attack.
CDE

While the "Jervis Bay" fought, Hexachlorethane* went to work

Remember the "Jervis Bay"—and Captain Fogarty-Feegan—the epic attack of a lightly armed, 18-year old Australian tramp steamer against a pocket battleship, pride of the German Navy?

The "Jervis Bay's" action lasted but ten minutes, but that was time enough to permit almost all of the thirty-eight ships of the convoy to scatter to safety. It foiled the German in his "kill" of those hapless ships.

Audacious attack, against great odds, was the prime factor in the engagement. Something else—of chemical origin—gave material aid. As the "Jervis Bay" closed with the pocket battleship, some of the crew dropped cylindrical objects over the stern, into the water. Almost instantly great clouds of white vapour started to rise, screening the ships of the convoy—a friendly fog-screen through which they sped to safety.

The cylindrical objects were "smoke floats"; they contained a chemical mixture, one of the ingredients of which was Hexachlorethane—a five syllable word for a product that is made from Chlorine. Chlorine, you know, is extensively used to purify drinking water—both here in our Canadian cities, and by our troops in the field. C-I-L manufactures Chlorine in three large plants.

Chlorine itself derives from another, and much more familiar chemical product—Salt. So the Hexachlorethane which rendered valuable service in the "Jervis Bay" engagement comes from our old friend in the salt shaker. And Salt, or one of the many other products made from it, is essential to the production of vital war materials in metal refineries, textile plants, chemical works. Tons of salt are used to preserve food.

* Commonly called "Artificial Fog."

*Salt and Chlorine are but two of the many C-I-L products of Industrial Chemistry which are aiding Canada's war effort.*

C-I-L

CANADIAN INDUSTRIES LIMITED

**The Postwar Outlook**

# Can Canada Win the Peace?

## *Road Ahead Holds Problems But Vast Promise*

*Following is a condensation of a lecture given by Ronald A. McEachern, editor of The Financial Post, in a course which is being held at the University of Toronto for marketing executives. The course is sponsored by the university's extension and political economy departments, the Advertising and Sales Club, and businessmen's institutions of Toronto. Comprehensive digests of all lectures in this series are to be published in The Commerce Journal, University of Toronto.*

There is no magic which is going to give us, overnight, a fine, new world to live in. We possess today, virtually complete, the physical plant and machinery which must do our postwar work for us. The things we have today —our skills, our machines, our enterprise—are the things which will determine our success in meeting the enormous problems ahead.

Canada has done an outstanding job of pioneering in the realm of war finance, and overall organization of a wartime economy. In this respect we are still far ahead of the United States.

Just about a fortnight ago, the same basic group of people who did the job in fiscal planning have been put in charge of postwar planning. I think we can expect some good work from them.

When the shooting stops, I think we can depend on a tapering off period in our arms production. How that is handled, the speed at which it proceeds, will call for the highest statesmanship and a big degree of understanding on the part of the Canadian people.

One factor which will probably facilitate that tapering off period is this: I think there will be widespread public acceptance of the view that this time the victors must remain strongly armed.

But if all the postwar planning that is going on does any good at all, business itself will have gone far with its own plans and preparations for a swift changeover to peace production.

### Job of Business

Business itself must do the main job of meeting the needs of this crucial changeover period. The businessman who is pulling his weight today as a citizen and a democrat is the man who is finding out now the jobs that his present working force will turn to when the shooting stops. Businessmen of courage, enterprise, energy and vision — above all, with a sense of social responsibility, should be able as a group to come near the goal.

**Canada today has the physical plant and machinery for a bright and prosperous postwar era. We have developed new skills, new techniques, new materials which hold infinite promise for the future. If we plan and act wisely, we will win the peace, will succeed in creating better living conditions and a sounder economic structure.**

The first job of the transition period, of course, is getting men from the armed services placed in civilian life, and the job of getting war industry workers into peace industry.

According to the best available estimate of our working population, Canada now has 5,455,000 workers and fighters. This compares with 3,888,000 before the outbreak of war—or an increase of 40%.

### Jobs for Millions

Writing off from our wartime working force those who, in normal society, need not be workers, we find that Canada should aim for postwar employment of about 1.1 million more people than at the outbreak of war, or a total of around 4.9 millions—an increase of about 30%.

The second job of the transition period is to convert our national plant from war to peace production. This too is a much smaller job than is often supposed. Remember that this involves a change almost entirely in end products. Agriculture, mining, smelting, steel making, basic chemicals, lumbering, transportation, electric power — all those vast basic industries, today war industries, will require virtually no conversion.

The conversion problem will be confined to our gun plants, shell plants, airplane plants, automobile plants, and to their tributary industries which are making component parts. These industries have demonstrated how rapidly they were able to convert to do the difficult and unfamiliar war job. How much easier to convert to the familiar peace job!

### Backlog of Demand

One important factor which is going to ease the adjustment period, of course, is the so-called backlog of demand. I think we should guard against overestimating the volume of that demand as an easy solution for all our problems.

Any businessman looking at the immediate postwar world realizes that, for a while, a good many of our wartime controls over business are going to be necessary in the general interest. Price controls, probably some forms of rationing, some priority systems.

### Danger of Inflation

The danger of inflation is just as great in the period immediately following war as during war—in some respects even greater. Remember that it was **after** 1918 that we had the worst inflation here in Canada, not before.

Now after the transition period — what is the job for postwar Canada? What of Canada's expanded resources as a market? That depends on how many Canadians have jobs and what those jobs pay.

In economic terms our aim, therefore, is to keep the business machine running at something approaching today's speed. It means to employ some 30% more people than at the outbreak of war. It means to maintain a national income of perhaps $7 billions per year compared with around $4.2 in years before the war.

In 1939 we had a total capital investment of $3.6 billions in manufacturing enterprise. War has added to our industrial productive capacity an estimated $1 billion or about 28%—just about the same amount as we have to add to our entire national employment rolls in all type of activity — farming, factories, shopkeeping, etc.

But more significant is the kind of gain we have experienced.

Our gain in metal working is an estimated 40%. It depends on highly skilled operations and on complicated, expensive machinery. It includes the realm of diemaking, tools and jigs.

Our steel mills have undergone very considerable renovation and modernization. We have those great new plate mills. At the outbreak of war our steel sheet mills could roll a sheet of 84 in. maximum. Now, with the most modern rolling equipment we can roll sheets 110 in. which opens up to us a brand new type of business.

Another net gain from war will be in the plastics industry. Plastics have so caught the public imagination that many headaches and disappointments threaten the unwary enterpriser.

Plastics fabrication is simple and the machinery relatively low cost. It is the kind of manufacturing enterprise which is liable to attract the amateur manufacturer and businessman.

### Plywood Possibilities

Then there is the plywood plastic variety in which you take a fibrous material and bond it together into a new material with a bonding glue, sometimes under heat and pressure.

It is in the field of plywood plastics that Canada has already achieved importance and in which we promise to go far. Serving this field, of course, we have the great pulp and lumber industry.

Another new capacity which war has given us is in the chemical field. You are probably familiar with the big figures on our chemical programme—a capital investment of more than $125 millions.

And, of course, we are now building the vast plants of Polymer Corporation at Sarnia for the production of synthetic rubber.

Canada's wartime industry has had a good deal of spoonfeeding. Some of our wartime gains will disappear after the war.

But one point I wish to emphasize is this: a new factory is a national asset, money in our national bank.

Hon. C. D. Howe has asserted that only 10% of our new war plant capacity will **not** be suitable for conversion to peacetime purposes. All available data suggests that he has made a very reasonable estimate.

### Mines and Metals

In mining the main wartime development has been smallish production of some special war minerals—tungsten, molybdenum, mercury, chromite and a few others — valuable supplements to our growing alloy industry. During the previous great war, we also had some production of these things. Whether the economics of some of our new production is good enough for continued operation after the war, it is yet too early to say.

But two developments in the mineral field are, however, of major importance for Canada and the world—magnesium and aluminum, the two wonder metals of our time, each with vast potential sources of raw materials, each with amazing usefulness now and especially in the world ahead.

Lumber and pulp, another industry on which Canada in the past has largely depended for growth and prosperity, is just about breaking even on its raw material.

Major reforestation projects in the postwar years are almost a certainty provided we have reasonably wise and honest government.

Plywood is likely to play an enormous part in the world of tomorrow, and in plywood we make very much better use of what lumber we do cut.

### Canadian Agriculture

The outlook for the Canadian farmer is a basic consideration. For agriculture is still Canada's basic industry, and 34% of the Canadian males of working age live on farms.

The hope for national expansion lies partly in mixed farming which is more intensive farming, which means a livelihood for more individuals. For instance: one wheat farmer with modern equipment can look after perhaps 400 acres. One man doing mixed farming can handle about 100 acres. One man doing market gardening or fruit growing can handle perhaps only five acres.

I don't imagine this audience needs any sales talk on the desirability of immigration. But one thing we should keep in mind: Our problem may not be so much deciding if we want large-scale immigration from Europe as getting people to come here at all.

Personally I can't get very much concerned about the kind of immigrants we get. Think of the kind of immigrants Canada used to get, and that includes the ancestors of all of us. Some of the people now making pontifical pronouncements that Canada should take only the pasteurized "Grade A" variety of immigrants should remember that on their rules, their own parents might have been barred.

### Postwar Markets

The postwar picture as a whole shows that there is an enormous volume of business to do; a vast market to serve.

One need only mention a few names to illustrate some tremendous business possibilities ahead: synthetic rubber, plastics, new alloy metals, television, big refining capacity for high octane gasoline, radio developments growing out of the industry's new skill in using a vast number of wave bands instead of relatively few. The walky-talky radios used by soldiers, the intercommunication systems used between tanks and fighting airplanes, are illustrations of new business potentials in this field.

Lighting is obsolescent—horse and buggy equipment for an airplane age. Converting all the light fixtures in our homes and offices and factories to fluorescent is in itself a piece of business that staggers the imagination. And it's a sure piece of business because economics demand it—more light at cheaper cost. This new "daylight" lighting leads to a host of other business.

Then there is the whole field of construction, our homes, our offices, factories, our towns.

The best available estimate is that 75% of Canadian farm houses are primitive — that they need at least $1,000 spent per farm house on introducing even the most elementary of modern conveniences —electric light, running water, refrigeration and a few common labor-saving devices. There is a billion dollars worth of business to be done.

Vitally important about the business road ahead is the realization of a new social responsibility on the part of an ever-increasing number of businessmen.

What more and more businessmen now believe is that the answer to unemployment and depressions, recurrent booms and depressions, poverty in the midst of plenty, and so on, now very largely rests in their own hands. And that if they don't make a success of handling the job, government will be forced to.

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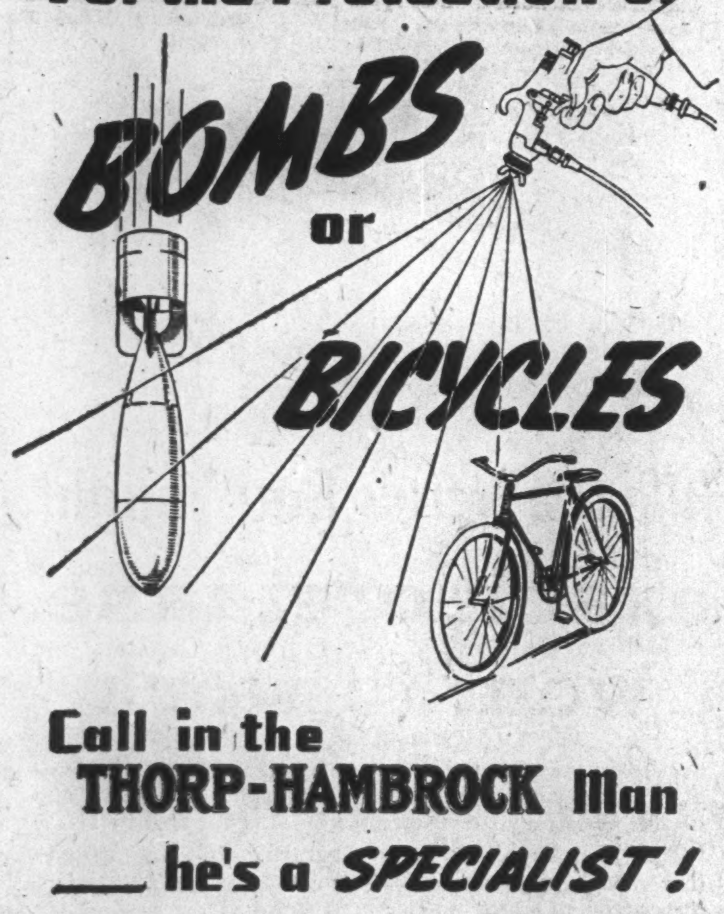

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# Commons Gets Figures On Gold Mine Workers

## Minister of Trade and Commerce Reveals Employment Total Was 21,271 at End of November; 1941 Average Was 32,551

The decline in the gold mine labor supply, which operators fear may permanently handicap the industry, was recently before the House of Commons. Answering a question of Victor Quelch, M.P. for Acadia, Alberta, Hon. J. A. MacKinnon, Minister of Trade and Commerce, disclosed that employment in gold mining had declined to 21,271 at the end of last November, compared with an average of 32,551 for 1941.

From figures tabled, employment in gold mining appears to be down to the lowest point since 1935, when an average of only 19,834 were employed and only $115.6 millions of gold was produced.

The figures tabled by Mr. MacKinnon showed an increase in employment during the middle of 1941 but during 1942 there was a sharp and drastic decline. The trend is shown by monthly employment figures:

| | No. of employees |
|---|---|
| 1941: | |
| January | 32,503 |
| February | 32,496 |
| March | 32,514 |
| April | 32,364 |
| May | 32,600 |
| June | 32,538 |
| July | 33,041 |
| August | 32,889 |
| September | 33,336 |
| October | 33,601 |
| November | 32,288 |
| December | 30,297 |
| Average | 32,551 |
| 1942: | |
| January | 27,140 |
| February | 27,618 |
| March | 27,737 |
| April | 27,277 |
| May | 27,111 |
| June | 26,673 |
| July | 25,939 |
| August | 24,204 |
| September | 23,000 |
| October | 21,894 |
| November | 21,271 |

The average of monthly figures, taken by the years, indicates 30,000 men to be about average in recent years.

| Monthly average: | No. of Employees |
|---|---|
| 1935 | 19,834 |
| 1936 | 25,697 |
| 1937 | 29,140 |
| 1938 | 29,647 |
| 1939 | 30,622 |
| 1940 | 31,405 |
| 1941 | 32,551 |

### Output May Drop More

Production of gold, based on December figures, is down to a rate of $165.5 millions a year from its peak rate of $205 millions attained in 1941. That production has not declined further, due to the shortage of labor, is attributed by mining men to the fact that ore is being drawn from the most accessible stopes, and that advance preparation for opening of further stopes has been largely abandoned to economize on labor. As available ore is gradually eaten up, gold production is expected to continue its decline. Engineers say that even when an adequate supply of labor becomes available again, gold production might continue to decrease for a time, until shafts can be sunk further, new levels opened up, and new places made available for the mining of ore.

# Romaine River Report Issued

The area where a Quebec geological party made discoveries of copper and titaniferous iron in 1941 is the subject of a report issued by the Department of Mines of Quebec.

It is report No. 175 by Dr. W. W. Longley on the Forget Lake district, which borders Romaine River and lies about 50 miles north of Havre-Saint-Pierre, 400 miles down the St. Lawrence from Quebec City.

The area has been opened for prospecting, and parties staked claims there in 1942.

The report gives recommendations as to the most favorable places for prospecting, particularly for copper, as chalcopyrite (high grade copper ore). Copies are obtainable in English or French from the Deputy Minister of Mines, Quebec.

**COUNSEL**

*Archibald D. McDonald, Toronto, who has been appointed assistant regional counsel of the Canadian National Railways. He succeeds R. E. Laidlaw, who has been appointed a judge of the Ontario Court of Appeal. Mr. McDonald graduated from Osgoode Law School and has been with the C.N.R. legal department for 16 years.*

# Mining INVESTMENTS

**Dominion gold production** for 1942—the revised total issued by D.B.S.—amounted to $184.8 millions compared with $205.6 millions for 1941 and $204.5 millions for 1940.

Production of 359,903 ounces of gold, or $13.9 millions, in December, was the lowest for any month of 1942 and compared with a high of 439,203 ounces worth $16.9 millions for March.

More than half Canada's December production—213,116 ounces out of 359,903 ounces—was turned out in Ontario, with Porcupine and Kirkland Lake responsible for over 75% of the Ontario total. Ontario's December output was approximately 25,000 ounces below that of Dec., 1941.

A marked decline in gold production was shown for British Columbia due to the labor shortage. December output totalled 25,998 ounces compared with 28,727 ounces for Nov., 1942, and 47,898 ounces for Dec., 1941.

* * *

**Peat fuel** from Ontario has been urged by Progressive Conservative Leader John Bracken as a substitute for a large proportion of the lump anthracite now imported.

Officials say the possibilities of peat have been considered but that the lignite from the Moosonee district is thought to be a much better fuel than peat and the government's policy calls for opening up of the lignite fields rather than the privately-owned peat areas at Alfred, near Ottawa.

* * *

**Hudson Bay Mining & Smelting,** "branching out" in its activities in Manitoba, is reported working on production plans for its new chromite property in the Bird River area as a contribution to the war effort, and a 200-ton mill is being placed on the old Mandy property through a subsidiary, Emergency Metals. Output from the Mandy mine will be sold to the Metals Reserve Co.

Besides this work, Hudson Bay carried on considerable exploration in 1942, including the diamond drilling of a body of copper-zinc ore on the Thompson property, northeast arm of Schist Lake, 4½ miles from Flin Flon.

At the Hudson Bay property proper, difficulty has been experienced in maintaining an adequate work staff. The shortage has been offset somewhat by the employment of women, of which the company had 106 on its payroll at the end of the year.

* * *

**Toronto C.I.M.M.** at its monthly meeting last week, had as guest speaker Frank Williams of the Department of Munitions and Supply. He discussed priority procedure as it applies to various types of mines.

At the March meeting, Matt Fairlie, consulting engineer of Kerr-Addison Gold Mines, will speak on the Kerr-Addison mine. Mining students of the University of Toronto will be guests through the courtesy of Fahralloy Canada Ltd.

# Mining Concentrates

**Armistice Gold Mines** has let a diamond drilling contract to sink deep test holes on its claims adjoining Kerr- Addison Gold Mines on the west. The first of two deep holes, to go down to 1,500 ft., is now being spotted. The sum of $30,000 is reported to have been deposited to the company's account in payment of 100,000 shares at 30 cents a share with options granted on further stock. Previous diamond drilling tested what is considered to be the westward extension of the Kerr-Addison shear zone to a depth of 500 ft.

* * *

**Base Metals Mining Corp.** showed a reduction in tonnage milled of 15% in the last quarter of 1942 due partly to the shortage of labor in the early part of the period and partly to the delays caused by breakdowns in the power plant. The Diesel engines driving the generators are old and great difficulty has been experienced in getting repair parts of good quality. Tonnage milled for the year was down 10.5% as compared with the previous year. Estimated operating profits for 1942 were $167,000 Lead and zinc concentrates were shipped regularly.

* * *

**Bidgood Exploration Co.** was incorporated on Jan. 29, 1943, with an authorized capital of 100,000 $1 par shares, according to the current edition of the Ontario Gazette. Head office is Toronto.

* * *

**Dome Mines** showed a decrease in production in January:

| Month: | Tons milled | Tons daily | Recov. per ton | Total recov. |
|---|---|---|---|---|
| Jan., 1943 | 45,100 | 1,455 | $11.19 | $504,565 |
| Dec., 1942 | 43,900 | 1,416 | 11.96 | 525,127 |

* * *

**Hedley Mascot Gold Mines** is reported to have realized a profit of $51,518 in the quarter ended Dec. 31, 1942, after taxes, development and exploration but before depreciation and depletion. This compares with $54,020 the preceding quarter and $45,460 the same quarter of 1941. The labor situation is stated to be nearly normal. Ore reserves have been replenished by new development and are also nearly normal. Dr. Victor Domage, consulting geologist, states that diamond drilling on the 4,300 level in the southwest corner of the Mascot claim has confirmed the existence of a favorable structure which contains important bodies of ore. This may extend 600 ft. to the boundary of the claim and will be explored.

* * *

**Jerome Gold Mines** realized an operating profit of $431,280 in 1942 and the company's loan from Mining Corp., Hollinger and Ashley Mining Corp. was reduced $355,000. Shortage of labor in the fourth quarter of 1942 again made it impossible to do any development work and necessitated a five-day shutdown of the mill during the Christmas season. In 1942 168,628 tons of ore was treated with 29,481 ounces of gold recovered.

* * *

**Jason Mines** has been given extra-provincial registration in British Columbia with an office at Room 510 Stock Exchange Bldg., 475 Howe St., Vancouver.

* * *

**Lake Shore Mines** has declared its regular quarterly dividend of 20 cents a share payable March 15 to shareholders of record March 1, but production had to be curtailed recently due to a rock movement which was felt quite noticeably in the town of Kirkland Lake.

* * *

**Mining Corp. of Canada** at the end of the 1942 prospecting season had staked 45 claims in the Missinaibi area on which no work has yet been done.

* * *

**Normetal Mining Corp,** realized an estimated operating profit of $711,000 in 1942. Copper and zinc concentrates were shipped as produced. At the end of 1942 crosscutting to the ore body on two of the new levels was proceeding. Tonnage treated in the fourth quarter of 1942 was slightly higher than in the previous quarter in spite of a partial curtailment of operations during November, when a fall of snow prevented use of loading chutes for some weeks. A shortage of labor prevailed throughout the period. Tonnage for the year was up 22% over 1941.

* * *

**Reco Mountain Base Metal Mines** has elected a board of directors as follows: Dr. M. D. Kinsella, president, Toronto; R. C. Gamble, vice-president, Oak Ridges, Ont.; O. F. Dubois, secretary-treasurer, Toronto; K. H. McVittie, Toronto, Paul Lincoln, I. G. Nelson, Nelson, B.C.

# Hollinger Net Decline Modest

Reflecting lower production due to the war, Hollinger Consolidated Gold Mines showed a modest decline in earnings in 1942. Estimated net profit of $4,459,928 was equal to 90.6 cents a share compared with $5,179,092 or $1.05 a share for the preceding year.

With the reduced dividend distribution rate of five cents each four weeks (without extras) in effect during 1942, approximately 26 cents a share or roughly $1,280,000 was added to surplus—the largest addition to surplus since 1927. Depending on capital expenditures during 1942, a substantial increase in working capital ($1,019,127 at the end of 1941) may be shown for 1942 when the annual report appears.

### Depreciation Higher

The 1942 profit is worked out after allowing $683,013 for depreciation and $228,277 for write-down of outside properties, both charges being slightly larger than those for preceding year.

Production of $15,285,950 in 1942 was recovered from 1,632,121 tons of ore milled, an average recovery of $9.26 a ton. In the preceding year final recovery figures showed an output of $16,416,119 from 1,756,923 tons of ore milled, an average recovery of $9.34 per ton. Scheelite included in recovery was valued at $172,770 in 1942 against nil in 1941.

Investment income at $870,286 in 1942 showed an increase of well over $100,000 on the $747,160 for 1941, the increase helping offset the higher level of charges in other directions.

# Canada Arranges to Sell Mica at Premium Prices

From Our Own Correspondent

OTTAWA.—Operators of Canadian muscovite mica properties are to be encouraged to augment their output of high-grade or strategic mica by payment of premium prices in the equivalent of United States funds, the Munitions and Supply Department announces.

Metals Controller G. C. Bateman has arranged with Colonial Mica Co. of New York, a United States Government agency, for premium mica prices to apply to Canada. Actual purchasing in Canada is to be done either by the Metals Controller on behalf of the U.S. agency or by Colonial Mica Co. direct at the following prices in Canadian funds per avoirdupois pound of muscovite mica delivered in Ottawa:

Mica Grades

| Size of sheets Inches: | Clear | Slightly stained | Stained |
|---|---|---|---|
| 1 x 1 | $0.825 | $0.58 | $0.33 |
| 1 x 2 | 1.10 | 0.77 | 0.44 |
| 1½ x 2 | 1.925 | 1.35 | 0.77 |
| 2 x 2 | 3.025 | 2.12 | 1.21 |
| 2 x 3 | 3.85 | 2.695 | 1.54 |
| 3 x 3 | 4.40 | 3.08 | 1.76 |
| 3 x 4 | 5.225 | 3.66 | 2.09 |
| 3 x 5 | 6.05 | 4.235 | 2.42 |
| 4 x 6 | 6.875 | 4.818 | 2.75 |
| 6 x 8 | 7.975 | 5.588 | 3.19 |
| 8 x 10 | 11.00 | 7.70 | 4.40 |
| 10x 12 | 13.20 | 9.24 | 5.28 |

Under the terms of the arrangement with Colonial Mica Co., the seller is to ship a representative sample of his mica properly graded for size and quality according to this scale, and if his sample is approved, on receipt of instructions, he will ship the mica prepaid, in minimum quantities of 500 pounds, to the Metals Controller, c/o Department of Mines and Resources, Industrial Mineral Laboratory, Ottawa. When negotiating direct with Colonial Mica Co., the producer will receive specific shipping instructions after the material has been inspected and accepted by the company's inspector.

### Must Be 50% Clear Mica

Each mica shipment must comprise not less than 50% clear quality mica and not more than 20% stained. This means that 30% may be slightly stained. The mica must be sickle or knife trimmed, and free of cracks or other such imperfections. Ribbed mica, or plates less than 12 thousandths of an inch in thickness will be rejected.

The shipment must be graded for size and quality according to the price scale; and each piece must be large enough to yield a clear cut to the dimensions given. Each size of each quality must be in a separate case, which must be plainly marked on the outside to show the quality.

The shipper is required to submit six copies of his invoice and, as soon as possible after receipt, the mica will be inspected for grading and sizing and a certificate will be issued on which payment will be made to a maximum of 75% of appraised value. The balance will be paid when the mica has been finally accepted and qualified by the inspector of the Colonial Mica Co., New York.

# Ditmars Group Regains Control Grull Wihksne, Bayonne Con.

From Our Own Correspondent

VANCOUVER. — The Ditmars group, long in control of the Grull Wihksne Gold Mines and Bayonne Consolidated Gold Mines, but unseated on a test of proxies at the last annual meeting in December, regained its dominance at an extraordinary general meeting held here recently.

At this, the new directors headed by W. J. Asselstine, former provincial minister of mines, who took office when the Ditmars faction was deposed, were voted out and Ditmars and associates were returned to office.

The vote was taken after Asselstine, Secretary E. B. Crickmore and G. L. Pat Fraser, director and chief spokesman for the group, had walked out on the advice of Senator J. W. de B. Farris, who had told them that to remain might have made them a party to the subsequent action.

### Reject Compromise

The meeting rejected a compromise offered by Mr. Fraser, who realized that on a poll of proxies the old board would be returned but who wished to re-establish harmony in the direction of the company's affairs.

Mr. Fraser suggested a board comprising seven members of the Ditmars group and two of Asselstine's. The minority would be satisfied with such representation, he said.

Spokesmen for the old group maintained, however, that to do anything less than reinstate the former slate would be in violation of the pledge made to shareholders whose proxies they represented.

Grull is the holding company for Bayonne Consolidated, whose operations were discontinued some months ago, but which has obtained an option on some promising scheelite properties.

Members of the reinstated board are W. C. Ditmars, J. C. McPherson, W. J. Conway, A. J. B. Fell, Leon Ladner, K.C., W. L. Macken, W. C. Mainwaring, Nelles Stacey and C. J. White.

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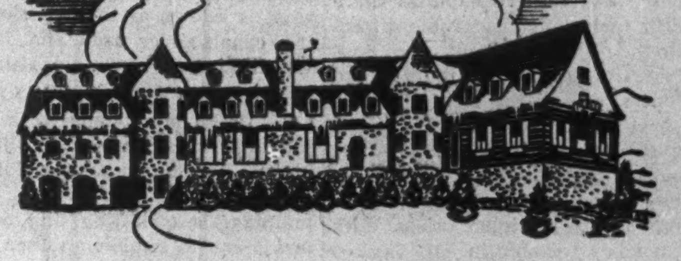

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# Is Silver Renaissance Coming?

## *Prospects of "White Metal" Revival Seen Brighter*

**By GORDON M. GRANT**

Will the close of this war bring a "renaissance" in silver? Will the white metal, the foundation stone of so many Canadian mining fortunes—including those of the Timmins family, "Jack" Hammell, the late Joseph Errington and the O'Briens—make a comeback?

A man in close touch with the situation through his trips to London and New York and his ownership of a silver mine in Mexico recently expressed the opinion that this would be the case.

He expects that silver will once more be sought after in the monetary sphere.

China and India may play a much more important role in world trade. These countries favor silver, with more trade would be natural purchasers of substantial quantities.

After the war the poorer nations of Europe—and practically all of them will be poorer—will probably show a distrust of paper currencies, and turn to silver.

### Indian Mart Skyrockets

As a straw in the wind, perhaps, the Indian market for silver skyrocketed on news of allied successes in Egypt.

The United States is using large quantities of silver for war purposes and reserve supplies there may undergo considerable diminution. Silver is out for non-essential uses. If the United States, one of the largest buyers of silver in recent years, parts with a large proportion of its stocks, the possible demand after the war might be difficult to satisfy except at higher prices. With tin now available in only limited quantities, industrialists have been turning to silver for welding, plating, etc., and some of these uses may bulk large in the future.

### Smelters Would Benefit

Increased demand for silver would be felt most immediately by Consolidated Mining & Smelting Co., Canada's largest producer, which turns out the metal as a by-product of its Trail base metal operations. Practically all the base metal and gold mines of this country also turn out some silver and would benefit to a minor degree.

Outside of established mines, the biggest impact on any new demand for silver would be on the Great Bear Lake area and the Cobalt silver areas, unless some new hunting grounds should emerge. Great Bear, with silver accompanying its radium-bearing pitchblende ores, could produce substantial amounts — especially with lower costs that opening of the territory by the Alaska highway may bring.

> **Silver — long a political "football" in the United States — may be in big demand after war, an observer in close touch with developments in London and New York thinks. What the chances for higher silver prices are, and what Canada may do in the way of greater silver production, become points for conjecture, in the light of new developments.**

### Ontario Survey Completed

Silver and cobalt have been serving war uses and the Ontario government has had a survey made of the Ontario's old silver areas at the request of the Metals Controller. This report, by John A. Reid, is now being printed.

Mr. Reid went over the possibilities of 6,000 square miles in what is known as the Timiskaming cobalt-silver area and from which the bulk of Ontario's silver has been derived.

Mr. Reid found some work being done, and some possibilities, at a number of properties. Cobalt Products, principal operator remaining, is operating one mine and plans to exploit another old producer, with somewhat lower-grade showings, when the present mine is depleted. The Cross Lake lease is being operated on a small scale. Nipissing's workings are being combed again. Some work is going on at the old Coniagas mine. La Rose Rouyn, the University mine and the Lumsden property are all experiencing some activity, while Sycee Cobalt and Sanymac are carrying on development operations. Four mines in the Kerr Lake area possess cobalt possibilities, Mr. Reid finds, and Castle Trethewey in the Gowganda area has some silver ore in one old stope but cobalt values run low.

For years Cobalters have cherished the idea that silver ore might be found again at depth in their camp, bringing forth a revival, but Mr. Reid finds little luck so far from depth work, and comments as follows:

"In the Timiskaming silver-cobalt area the greatest part of the ore was obtained between the surface and the 500-ft. level. That obtained below that horizon, while equal in grade, was much less in quantity. The deepest ore mined with profit in the Cobalt area came from the 870-ft. level of the O'Brien mine. A possible exception to the above is the Miller Lake area. Here at the Miller Lake, O'Brien and Castle mines, a considerable production of good grade ore was obtained between the 400 and 500-ft. levels and the 900-ft. level. Deep exploration in the Cobalt and South Lorraine areas has been generally unsuccessful."

A great deal of exploration at the Nipissing 1,060-ft. level, all without success, is noted, with other operators reporting negative results in their deep work.

Mr. Reid emphasizes, however, the possibilities of outside areas:

"Among slightly explored or new areas may be mentioned that part of Gowganda outside of Miller Lake, and probably Portage Bay. In this connection it may be observed that apart from local activity at Cobalt, Miller Lake, South Lorraine and a few other places, the Timiskaming silver-cobalt area as a whole has been practically abandoned by prospectors since the discovery of gold at Porcupine in 1909. While it is not to be expected that another camp like Cobalt will be found, nevertheless it is the writer's opinion that there is a reasonable possibility of finding individual new mines similar to the Keeley, Miller Lake O'Brien, or Castle-Trethewey. This, however, will necessitate careful and intensive prospecting, a study of structural conditions and the expenditure of a considerable amount of money in actual underground development, and will take considerable time. It is the writer's opinion that before undertaking such a venture a company or syndicate should be prepared to spend $250,000."

### Hidden Riches

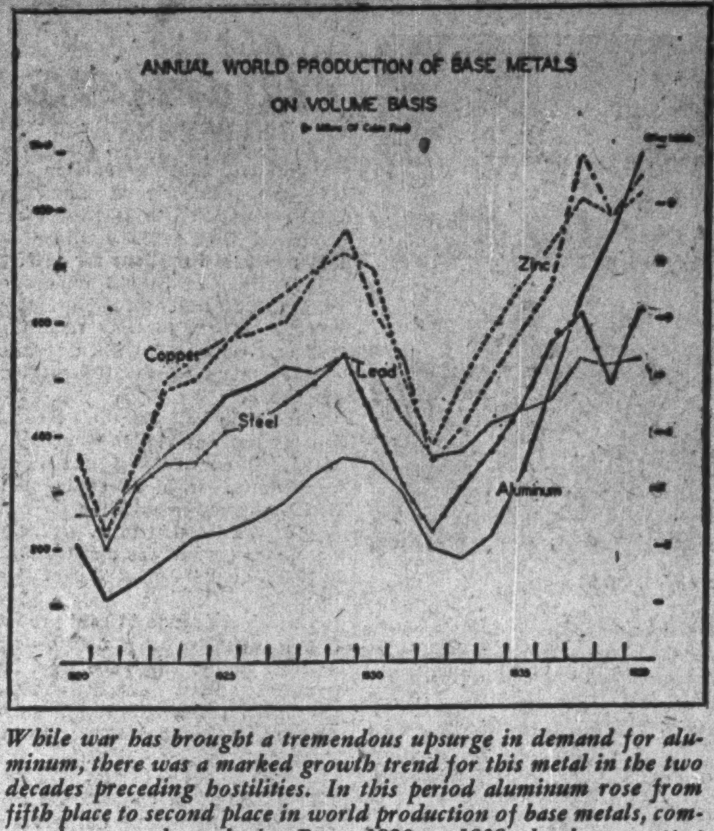
Vagaries of nature may have played an important part in hiding the silver riches of the Timiskaming area, Mr. Reid thinks, and cites the following case to prove his point:

"While the Timiskaming ore shoots are shallow, they are connected with structural conditions such as contacts and pre-mineral faults and are therefore only exposed at the surface through accidental vagaries or erosions. To consider instances, the Trethewey-Meyer vein at Cobalt, which contained the greatest individual ore shoot ever found in the entire Timiskaming silver-cobalt area, had its ore exposed only for about 300 ft. at the west end, on the Trethewey property; for the remaining 1,300 ft., where it is on the Nipissing and produced much the greater quantity of ore, it outcrops on the surface as a barren calcite vein about three inches in width. Had the western 300 ft. of this vein been covered with heavy overburden, the ore would only have been found as the result of underground work. . . ."

### Further Mines May Still be There

While the demand for cobalt is such that silver exploration as a by-product may be forthcoming on a more extensive scale, real prospecting for silver itself awaits peace due to the pressure of demands of base metal mines and others for available supplies of materials and equipment.

But the silver chances aren't exhausted — and some of the groundwork has been laid already for tapping them when and as conditions warrant.



*While war has brought a tremendous upsurge in demand for aluminum, there was a marked growth trend for this metal in the two decades preceding hostilities. In this period aluminum rose from fifth place to second place in world production of base metals, computed on a volume basis. From 1920 to 1939 aluminum output increased 300%, while output of other base metals increased in a range of 87% to 130%.*

# The Week in Oils

**From Our Own Correspondent**

CALGARY. — A new production hope for the southern Alberta plains loomed this week as the Imperial-Armelgra No. 1 "wildcat" commenced swabbing test of an oil zone between 3,100 and 3,128 ft. During 24 hours, 29 bbls. of clean oil was swabbed. It showed a gravity of 17 to 18 degrees API. Swabbing was continuing at the rate of one swab run per hour, with oil recovery rate about the same.

The Imperial Oil Armelgra test was recently completed at 3,130 ft., with the Madison lime showing from 3,124 ft. The top few feet of lime showed some saturation and porosity, with no evidence of water. The sands just above the lime also showed evidence of oil. Casing was run and set at 3,100 ft. After the plug was drilled, the formation between 3,100 and 3,128 ft. was gun-perforated with 60 shots.

After the hole had been cleared, oil rose some 1,700 ft. It is expected that acidizing will be proceeded with following completion of the swabbing test. The well is located in L.S.D. 16 19-13-13w4, about 1½ miles southwest of Armelgra on the C.P.R. Blackie-Suffield Line, about 115 miles southeast of Calgary, and about 30 miles northwest of the Taber oil wells. Surface elevation at the Armelgra well is 2,535 ft. above sea level.

* * *

### *New Norcanols Test*

Another southern Saskatchewan location has been staked by the Norcanols Oil & Gas group (Imperial Oil, Canadian Western Natural Gas, and Osler & Nanton). The new site, Norcanols-Dahinda No. 1, is in L.S.D. 10 12-10-23w2, around 14 miles north of the recently staked Norcanols-Ogema No. 1 site. The light rotary last used at Imperial-Grantham No. 1 has been shipped into Saskatchewan and will be transferred to the Dahinda site as soon as road conditions permit.

The lime objective at Dahinda is looked for between 3,500 and 4,000 ft., compared with lime estimate of 5,000 ft. at Ogema. Derrick is up and rig partly installed at Ogema, and the crew was overhauling machinery at the weekend, preparatory to spudding in. Other favorable structural conditions in addition to those to be tested at Ogema and Dahinda have been disclosed by the geological work done on the large Norcanols reservation in southern Saskatchewan, and it is expected that these will be tested by the drill this year. Additional well-sites are expected to be announced later in the spring.

* * *

### *Let Vermilion Contracts*

Contracts have been let for the first 10 wells in the projected 50-well programme in the Vermilion field by Cannar Oils, wholly-owned subsidiary of Canadian National Railways. Drilling on the first of the wells is slated to start by April 1. It is understood that contract for five wells has been let to William G. de Koch & Co., and contract for five to the Can-Tax Drilling Co. Servicing of all 10 wells covered by the initial contracts is to be done by General Petroleums. The initial wells are to be in proved territory, probably centering in the east half of Section 30-50-5w4. Spacing will be on a 10-acre basis.

* * *

### *Lime "Uplift" to East*

Key north extension "east side" test Home Millarville No. 14 has halted drilling at 7,707 ft. to run and set production string of casing, following confirmation of the Madison limestone at 7,695 ft.

The well, located in L.S.D. 16 33-20-3w5, quarter of a mile due south of the discovery "east side" producer Major Oil No. 9, has provided valuable new data on this section of the field. It has shown the presence of a "southwest dipping" body of lime east of the structure crest (that is, a limestone uplift of as yet unknown proportions or breadth east of the crest). This contrasts with previous theories of the lime body simply plunging sharply to the northeast from the structure crest.

# *Too Much Lead Worries U. S.*

At a time of metal shortages, the United States is facing a further growth in the supply of lead, production of which has already been exceeding demand in recent months.

New efforts to stimulate zinc production are expected to mean a greater output of lead, which often occurs in the same ore as the zinc. The American Metal Market last week described the situation as follows:

"While substitute uses have gained long strides since producers began to fully realize that their hope for increased consumption lay in new war applications, it is a pity that greater substitution cannot be achieved to take up the slack developing. Lead just seems to be accumulative and there seems nothing to do with the surplus but store it away."

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The Windsor is recognized as the proper place for business and social meetings.

THE Windsor
ON DOMINION SQUARE

J. ALDERIC RAYMOND
PRESIDENT

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If
we all cut our
telephone talks
by just one
Minute
...It would
Save 110,000 hours
for WAR CALLS
every day

**War calls must come first...**

which means that we should reduce our non-essential use of the telephone to the minimum. Present facilities cannot be increased; your co-operation is needed if war calls are to go through promptly. ℂ Please remember that the wasteful use of telephone time can hold up war business—and that every second you save *counts.*

*On Active Service* *Giving Wings to Words*

● Buy War Savings Stamps and Certificates Regularly.

Improved Working Conditions..builds employee morale and speeds up Production!
ABSENTEEISM REDUCED
BEFORE CAFETERIA INSTALLED
ACCIDENTS REDUCED
BEFORE CAFETERIA INSTALLED
PRODUCTION INCREASED
BEFORE CAFETERIA INSTALLED
MOFFAT

In today's plan of improved working conditions, *good* eating facilities are playing an important part in Canada's outstanding war production records. Unless the war workers are well nourished and healthy, their production will not reach its maximum.

Factories, large and small, are providing their employees with proper cafeteria and other staff feeding facilities. Government reports show that in plants where cafeterias are provided, production has been increased 15% and 25%.

In one Canadian plant after opening a lunchroom there were 27% fewer first-aid treatments given.

Moffats "Industrial Feeding" engineers will gladly advise you on the best and most economical feeding facilities for your plant.

Please send without obligation copy of Moffats' Book — "Industrial Feeding". F.P.3

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